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# ***Daily Report***

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## **China**

FBIS-CHI-89-183  
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# Daily Report China

FBIS-CHI-89-183

## CONTENTS

22 September 1989

NOTICE TO READERS: An \* indicates material not previously disseminated in electronic form.

### INTERNATIONAL AFFAIRS

#### General

Beijing Asian Games Issues Invitations [XINHUA]	1
Thatcher Cautious on Resuming Aid [KYODO]	1
Students Dispatched to 76 Countries, Regions [XINHUA]	2
Eight Economic Expositions To Proceed [XINHUA]	2
Conference To Boost Asia-Pacific Region Trade [CHINA DAILY 22 Sep]	2
Spokesman Outlines Space Technology Cooperation [XINHUA]	2
Scientists Carry Out Extensive Antarctic Study [XINHUA]	3

#### United States & Canada

Exhibition on KMT-American Cooperation Held [XINHUA]	3
'Wanbao' Refrigerator Passes U.S. Safety Tests [XINHUA]	3
Joint Engineering Venture Opens in Beijing [XINHUA]	4

#### Southeast Asia & Pacific

South Australian Officials Visit Shandong [Jinan Radio]	4
---	---

#### Near East & South Asia

Trade Session With India Concludes [Beijing International]	4
--	---

#### Sub-Saharan Africa

Zairean President Meets Envoy; Expresses Support [XINHUA]	5
Congolese Communist Party Leader Praises Reform [XINHUA]	5

#### West Europe

Bomb Destroys Paris Mission's Vehicle [XINHUA]	5
Hong Kong Liaison Group To Meet in London [XINHUA]	5

#### East Europe

Economic, Technical Pact Signed in Romania [XINHUA]	5
Tian Jiyun Meets Hungarian Agricultural Group [XINHUA]	6
SFRY Holds National Day Photo Exhibit [XINHUA]	6

### NATIONAL AFFAIRS

#### Political & Social

Jiang Zemin Stresses Ideological Education [XINHUA]	7
Jiang Zemin, Others Mark CPPCC Anniversary [XINHUA]	7
Spokesman Yuan Mu Interviewed by Japanese Press [RENMIN RIBAO 18 Sep]	8
RENMIN RIBAO on Reform, Opening Up [OVERSEAS EDITION 22 Sep]	11
Article Criticizes Dissident Yan Jiaqi [RENMIN RIBAO 21 Sep]	14

Li Ruihuan, Li Tieying at Propaganda Meeting [XINHUA] .....	19
News Conference Outlines Art Festival [XINHUA] .....	20
Li Peng Signs Decree on Railway Regulations [RENMIN RIBAO 3 Sep] .....	21
Article Views 'Grasping With Two Hands' [RENMIN RIBAO 2 Sep] .....	21
Article Urges Increased Ideological Work [GONGREN RIBAO 28 Aug] .....	22
Article Outlines Party School's Main Tasks [RENMIN RIBAO 8 Sep] .....	25
30 Million Cadres Trained in 40 Years [XINHUA] .....	28

### Science & Technology

First Computer Virus Disrupts Coal Industry [XINHUA] .....	28
Forum Urges Devotion to National Development [XINHUA] .....	28
Commission Reviews Recent Achievements [XINHUA] .....	29

### Military

Article Views Martial Law Troops Political Work [JIEFANGJUN BAO 7 Sep] .....	29
--	----

### Economic & Agricultural

Article Analyzes, Criticizes Privatization [REYMIN RIBAO 4 Sep] .....	31
Article Discusses Collective Economy [JINGJI RIBAO 8 Sep] .....	35
Li Peng Discusses Agriculture During Tour [XINHUA] .....	37

## REGIONAL AFFAIRS

### East Region

Turmoil at Shanghai's Fudan University Reviewed [JIEFANG RIBAO 7 Sep] .....	39
---	----

### Central-South Region

Guangdong Allows County-Level Joint Ventures [HONGKONG STANDARD (CHINA TODAY SUPPLEMENT) 22 Sep] .....	43
Henan Governor Speaks on Provincial Industry [Zhengzhou Radio] .....	43
Hubei Discipline Inspection Officials Commended [Wuhan Radio] .....	44

### Southwest Region

Guizhou's Liu Zhengwei Stresses Party Building [Guiyang Radio] .....	44
Sichuan Reports 'Serious' Industrial Situation [Chengdu Radio] .....	45
Sichuan Meeting Assesses Agricultural Situation [Chengdu Radio] .....	45
Tibet Chairman Discusses Region's Development [RENMIN RIBAO 17 Sep] .....	46

### North Region

Li Ximing Visits Mountainous Area Teachers [BEIJING RIBAO 9 Sep] .....	47
Beijing Official Reports Price Stabilization [XINHUA] .....	47
Hebei Secretary Meets Beijing Army Report Group [HEBEI RIBAO 7 Sep] .....	47

### Northeast Region

Heilongjiang Secretary Greet's Shenzhen Delegation [HEILONGJIANG RIBAO 31 Aug] .....	48
Jilin Secretary Attends Commendatory Rally [Changchun Radio] .....	48
Jilin Reports on Collectively-Run Urban Companies [Changchun Radio] .....	49
Liaoning Secretary Attends Games Reception [LIAONING RIBAO 6 Sep] .....	49
Liaoning Secretary Stresses Party Building [Shenyang Radio] .....	49
Liaoning People's Congress Meeting Opens 18 Sep [Shenyang Radio] .....	51

### Northwest Region

Xinjiang Ends Dependence on State Grain Subsidy	[XINHUA]	51
---	----------	----

### PRC MEDIA ON TAIWAN AFFAIRS

Radio Talk Views Taiwan Role in Turmoil	[Beijing Radio]	52
Spokesman Discusses Mainland-Taiwan Ties	[RENMIN RIBAO 16 Sep]	53

### TAIWAN

Li Teng-hui Meets Washington Governor	[CNA]	55
Finance Minister on Third World Loans	[CHINA POST 17 Sep]	55
XINHUA Publication Attacks Foreign Policy	[Hong Kong SOUTH CHINA MORNING POST 18 Sep]	55
KMT Official Attends Tokyo IDU Conference		56
States Objectives	[CNA]	56
Meets Participants	[CNA]	56
Government To Allow Soviet Journalists' Visit	[CNA]	57
Justice Minister Denies Resignation Rumors	[CNA]	57

### HONG KONG & MACAO

#### Hong Kong

Councillor Dunn Warns Against 'Irritating China'	[HONGKONG STANDARD 22 Sep]	58
Ji Pengfei Meets Hong Kong Women's Study Group	[XINHUA]	58
Visiting Hanoi Team Schedules More Interviews	[SOUTH CHINA MORNING POST 22 Sep]	58

#### Macao

Survey Predicts Massive Exodus From Colony	[HONGKONG STANDARD 22 Sep]	59
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## General

### Beijing Asian Games Issues Invitations

OW2109190989 Beijing XINHUA in English  
1318 GMT 21 Sep 89

[Text] Beijing, September 21 (XINHUA)—The invitations to the member organizations of the Olympic Council of Asia (OCA) to take part in the 11th Asian Games were officially issued here today by the organizing committee.

The invitation said "In accordance with the instructions given by the OCA, the organizing committee of the 11th Asian Games—Beijing 1990 has the honor to invite you to take part in the competitions and celebrations which will take place in Beijing from September 22 to October 7."

Among the 38 OCA member organizations, 34 sent their representatives to Beijing to receive the invitations covered with a red box from Chen Xitong and Wu Shaozu, president and executive president of the organizing committee of the 11th Asian Games.

Juan Antonio Samaranch, president of the International Olympic Committee [IOC], who is visiting Japan, sent a telex today to Chinese Olympic Committee President He Zhenliang, wishing the games a success.

The IOC president said "On the occasion of handing over invitations to OCA members for the 11th Asian Games in Beijing, IOC would like to express best wishes for the success of the games which are to be held in one year time."

The invitations to the other four OCA member organizations Chinese Taipei, Bahrain, Bhutan and Brunei, which did not send representatives, will be mailed.

The Asian Games, first of its kind to be held in China, will feature a total of 27 competitive sports, 308 individual events in all. These sports approved by the 7th Congress of OCA on September 21 last year in Seoul.

The sports are archery, athletics, badminton, basketball, boxing, canoeing and kayak, cycling, fencing, football, golf, gymnastics, handball, field hockey, judo, kabaddi, rowing, sepak takraw, shooting, softball, table tennis, swimming (including diving and water polo), tennis, volleyball, weightlifting, wrestling, wushu, yachting.

Two demonstration sports—baseball and soft tennis—will be also performed during the games.

### Thatcher Cautious on Resuming Aid

OW2109102189 Tokyo KYODO in English 1001 GMT  
21 Sep 89

[Text] Tokyo, Sept. 21 KYODO—British Prime Minister Margaret Thatcher expressed caution Thursday about resuming economic aid to China, on hold since the violent suppression of pro-democracy demonstrations in June.

"We shall have to consider very carefully our next steps," Thatcher told a news conference at the Japan National Press Club.

She said the severity of the suppression had been "unexpected" in modern China because many of China's leaders had suffered during the Cultural Revolution from 1965-1975.

But she declined to comment on a suggestion by the leader of a Japanese parliamentary delegation who visited China earlier this week that Japan should resume its aid to China. Japan has maintained the position that its policies toward China are different from those of other industrialized democracies in the West because of a "special relationship" between the two neighbors.

"We have a special interest in China as well as Japan, and that special interest is our special responsibility for the future of Hong Kong," Thatcher said.

She reiterated calls for Japan to help restore confidence in Hong Kong by increasing investment there, saying the people in Hong Kong have been unnerved by recent events in China. Hong Kong is due to be returned to China in 1997.

Thatcher described her visit to Japan as "very encouraging," and said progress had been made in resolving several outstanding trade issues.

Thatcher, who discussed trade issues with Prime Minister Toshiki Kaifu in a meeting Wednesday, said she has "great confidence" that by next year additional seats will be made available for British firms on the Tokyo Stock Exchange. Official talks will start in October on liberalization of airline fares and schedules, she said.

The 64-year-old leader said that she hoped the 1990s will be a decade of "unprecedented partnership and friendship" between the two countries.

"We are well on the way toward that," she added.

Thatcher has been in Japan since Tuesday to attend a meeting of the International Democratic Union, a group of leaders of conservative political parties from 26 countries. She leaves Friday for Moscow, where she is scheduled to meet with Soviet President Mikhail Gorbachev.

Thatcher praised Gorbachev as the "most bold and courageous leader" the Soviet Union has ever had.

She said political freedom in the Soviet Union has been progressing faster than economic change, and that it would be "vital" to get economic results in the coming years.

Thatcher urged other nations to support "this great historic movement," which she said is in the interest of all democratic nations.

But she warned that this is a time of great uncertainty in East-West relations and that nations should not reduce military preparedness.

"You don't prevent war by disarming. You prevent wars by quietly being prepared and having a strong defense," she said.

### Students Dispatched to 76 Countries, Regions

OW2209025389 Beijing XINHUA in English  
0143 GMT 22 Sep 89

[Text] Beijing, September 22 (XINHUA)—China has since 1978 sent some 60,000 students to study, under a government funding program, in 76 countries and regions, according to today's "GUANGMING DAILY".

In addition, more than 20,000 students have gone abroad for advanced studies on their own during the same period.

So far, some 30,000 of them have returned in the past decade after finishing their studies.

On the other hand, the paper said China has received 62,000 foreign students from more than 110 countries and regions for regular courses or short-term training in the past four decades since New China was founded in 1949.

### Eight Economic Expositions To Proceed

OW1409132789 Beijing XINHUA in English  
1158 GMT 14 Sep 89

[Text] Beijing, September 14 (XINHUA)—The eight international exhibitions to be held in Beijing, Shanghai, Guangzhou and Shenyang will be held as scheduled before the end of this year, sponsors announced here on Wednesday [13 September].

The exhibitions, which are sponsored by the Hong Kong-based China Promotion Ltd. and the China Council for the Promotion of International Trade, include the Shenyang Publications Expo (September), the Beijing Aviation Expo (October), the Beijing Systems Simulation and Scientific Computing Exhibition (October), the Beijing Electric Power and Water Expo (November), the Shanghai Furniture Expo (November), the Shanghai Sound Expo (November), the Guangzhou Instrument Fair (November) and the Guangzhou Automobile Fair (December).

The exhibition sponsors said many foreign companies have expressed their willingness to participate in the expositions.

The aviation exposition scheduled for October in the Beijing International Exhibition Center will be China's biggest aeronautics fair and will draw 120 companies from 13 countries and regions, the exposition sponsor said.

Exhibitors include China, the United States, the Soviet Union, the European consortium, France, Britain, Federal Germany, Canada, Italy, Finland, Singapore, Czechoslovakia and Hong Kong.

World aircraft giants such as Boeing, Westinghouse and McDonnell Douglas of the United States; Short Brothers, Rolls-Royce and British Aerospace of Britain; Lufthansa and MBB of Federal Germany; France Aero-spaciale and Dassault of France; and Italy's Aeritalia will participate in the aviation exposition.

### Conference To Boost Asia-Pacific Region Trade

HK2209043089 Beijing CHINA DAILY in English  
22 Sep 89 p 2

[By staff reporter]

[Text] A major conference on economic co-operation between China and the Asian-Pacific region will be held in Beijing next month, aimed at boosting trade throughout the area, Chinese trade officials said yesterday.

The Symposium on Economic and Trade Co-operation between China and the Asian-Pacific Region, sponsored by the Ministry of Foreign Economic Relations and Trade (MOFERT), will be held in Beijing on October 28-31.

"The main purpose of the symposium is to offer an opportunity for all the participants to study and explore various ways of effective co-operation between China and the Asian-Pacific region, thus creating favourable conditions for the common development and prosperity of the whole region," said Shi Zhengyuan, a MOFERT official.

About 100 government officials and a number of industrial, commercial and banking representatives from 20 countries and regions including Japan, Canada, Australia, Britain, Thailand, India, Singapore, Hong Kong and Macao are expected to attend the conference.

Shi said that several Chinese ministerial officials and officials from banks and from departments of foreign economic relations and trade in China's coastal and interior provinces and cities will also be on hand.

### Spokesman Outlines Space Technology Cooperation

OW2009121789 Beijing XINHUA in English  
1152 GMT 20 Sep 89

[Text] Beijing, September 20 (XINHUA)—China is joining hands with Federal Germany and Brazil in co-producing a telecommunications satellite and an earth resources satellite, a spokesman for the Aerospace Ministry said here today.

He said that the telecommunications satellite, now being jointly manufactured by China and Federal Germany, is a large one with 24 transponders which can receive and transmit six lines of television signals and 15,000 lines of telephone signals. The satellite is expected to be launched in 1992.

Meanwhile, he said, manufacture of the earth resources satellite, a 150 million U.S. dollar joint venture between China and Brazil, is proceeding smoothly.

The spokesman said these projects represent only part of China's broadening co-operation and technological exchanges with foreign countries in the field of space technology.

In recent years, the spokesman said, China has conducted co-operation and technological exchanges in this field with 28 countries, including the United States, Britain, France, Australia, Federal Germany, Italy and Brazil.

China is making rapid incursions into the international space market, he said.

Since October 1985, China has won several projects to launch foreign satellites—for Sweden, Australia and the Asian Telecommunications Satellite Co. Ltd based in Hong Kong.

#### Scientists Carry Out Extensive Antarctic Study

OW2109060889 Beijing XINHUA in English  
1559 GMT 20 Sep 89

[Text] Beijing, September 20 (XINHUA)—Over the past decade, China has sent five expeditions to the Antarctic region, and another is scheduled to leave for the frozen continent next month, according to the National Exploration Committee for the Antarctic Region.

In recent years, Chinese scientists have carried out research and observation in meteorology, geophysics, altitude atmospheric physics, glaciers, and geothermal organisms on the continent, gathering a large amount of data.

Chinese explorers have also studied the marine environment and investigated the krill resources in the ocean near Antarctica.

For the first time in the history of Chinese navigation, a Chinese exploration team has made an around-the-world tour on one of its trips to the South Pole, completing a survey of the gravity, hydrology, and chemistry of the Pacific, Atlantic, and the Indian oceans.

In recent years, China has also sent over 50 scientists to do cooperative research or observation at the stations or on the exploration vessels of Australia, New Zealand, Chile, Argentina, Japan, Britain, Federal Germany, the United States, the Soviet Union, and other countries.

In addition, the Chinese Academy of Sciences and other research institutes have formed a dozen of research laboratories specializing in the Antarctic.

China has also set up a training center in Heilongjiang Province in the far north to help the exploration teams prepare for their stays in the Antarctic.

#### United States & Canada

#### Exhibition on KMT-American Cooperation Held

OW1409140389 Beijing XINHUA in English  
1210 GMT 14 Sep 89

[Text] Xi'an, September 14 (XINHUA)—"The Exhibition of Historical Facts of Sino-U.S. Special Technical Cooperation Organization Concentration Camp," which aims to propagate revolutionary traditions, is now on show in Xi'an, capital of northwest China's Shaanxi Province.

The exhibition, using 300 pictures and material objects, displays the historical background of the founding of "the Sino-American Special Technical Cooperation Organization" during the Second World War, its activities, and the insane slaughtering of communist party members and revolutionary patriots in Kuomintang (KMT) concentration camps.

"The Sino-American Special Technical Cooperation Organization" was a military information agency jointly set up by the KMT's Bureau of Investigation and Statistics of the Military Council (BISMC) and the U.S. Army in 1943. It was headquartered in the BISMC's Geleshan Concentration Camp in Chongqing.

In two years, the organization trained and equipped more than 50,000 special agents for the BISMC. The BISMC used those agents to arrest and kill large numbers of communist party members and revolutionary patriots. Chongqing Concentration Camp became the largest prison at that time in terms of size and the number of people slaughtered.

Many well-known communist party members and patriotic military officers, such as Ye Ting, Yang Hucheng, Liao Chengzhi and Huang Xiansheng, were jailed or killed there. Many of them, such as Jiang Zhujun and "Little Radish" who was born in the prison, have since become widely-known artistic images.

The exhibition is sponsored by the "Chongqing Geleshan Cemetery for Revolutionary Martyrs." Ren Yu from the cemetery's administrative office said that since 1984 the same exhibition has been held in a dozen cities across the country for an audience of hundreds of thousands of people. The exhibition will last two months in Xi'an.

#### 'Wanbao' Refrigerator Passes U.S. Safety Tests

OW2209102289 Beijing XINHUA in English  
0836 GMT 22 Sep 89

[Text] Beijing, September 22 (XINHUA)—China's "Wanbao" brand WB-50 refrigerator recently passed a safety inspection conducted by Underwriters Laboratories Inc. (UL) in the United States.

That paves the way for Chinese refrigerators to enter the American market, said an official from the Ministry of Light Industry at a press conference here today.

The WB-50 refrigerator, produced by the Guangzhou Wanbao Electrical Appliance Corporation, is the country's first refrigerator to get UL listing.

The corporation, China's biggest electrical appliance producer, signed an export contract for 69,000 refrigerators with American businessmen soon after it got the listing.

According to Zhu Zhenyuan, director general of the State Administration of Import and Export Commodity Inspection, 470 Chinese factories have so far had their products passed by UL. These include radios, television sets, cassette-recorders, electric clocks and electric fans.

### **Joint Engineering Venture Opens in Beijing**

*OW2109194789 Beijing XINHUA in English  
1502 GMT 21 Sep 89*

[Text] Beijing, September 21 (XINHUA)—Beijing Mesta Engineering Co. Ltd., a Sino-American joint venture specializing in ferrous and nonferrous rolling mills, mechanical equipment and electrical products, opened here today.

The company is run by the Capital Iron and Steel Company and Mesta Engineering Company.

The Capital Iron and Steel Company, one of China's leading iron and steel producers, took over controlling interest in Mesta Engineering Company of Pittsburgh, Pennsylvania last July taking 70 percent its shares.

According to Fan Guanhai, president of the joint venture, the move is another effort taken by the company to upgrade its steel smelting and explore the Southeast Asian market.

The Capital Iron and Steel Company is China's first trans-national enterprise. It has established more than 100 subsidiary enterprises in 22 provinces and municipalities as well as 11 foreign countries and regions, covering 14 industries including electronics, machine-building, construction, nonferrous metals, light industry, chemicals, shipbuilding and tourism.

### **Southeast Asia & Pacific**

#### **South Australian Officials Visit Shandong**

*SK2209020589 Jinan Shandong Provincial Service  
in Mandarin 2300 GMT 20 Aug 89*

[Text] On the evening of 20 August at Jinan's Nanjiao Guesthouse, Governor Zhao Zhihao cordially received (Kling), chairman of the premier cabinet of South Australia of Australia [title as heard], and his entourage, and extended a welcome to them on their visit to the province. (Kling) and his party of two arrived in Shandong

Province from Tianjin on the morning of 20 August for a visit at the invitation of the province.

This is the first group of government officials from South Australia of Australia to visit the province after the quelling of the counterrevolutionary rebellion in Beijing in early June. As an old friend of the people of the province, Mr (Kling) has visited the province on many occasions, and has done much beneficial work in establishing and developing the friendly relations between Shandong and South Australia.

During the reception, the host and guests had a frank conversation amid a friendly atmosphere. Governor Zhao Zhihao said: I am glad to see you. I believe that this time, after conducting a practical investigation in Shandong, the friends from Oceania will want to make friends with Shandong. Mr (Kling) said: Though the current visit will be short, I believe it will further deepen the friendly relations between Shandong and South Australia.

Vice Governor Ma Shizhong and the responsible persons of relevant departments were also on hand during the reception.

### **Near East & South Asia**

#### **Trade Session With India Concludes**

*BK2209094989 Beijing in Hindi to India 1500 GMT  
21 Sep 89*

[Text] The 3-day first session of the Sino-Indian Joint Commission on Trade, Economic, and Scientific and Technological Cooperation concluded in New Delhi yesterday. The minutes, signed by Chinese Minister of Foreign Economic Relations Zheng Tuobin and Indian Commerce Minister Dinesh Singh, emphasize that both countries should make equal efforts to increase bilateral trade and economic and technical cooperation. Both sides are of the view that wide prospects exist for further expansion of bilateral trade. Both sides also exchanged views on ways to increase trade and exchange of goods.

China is interested in importing larger quantities of iron ore and minerals, like chromium, along with increasing imports of short-fiber cotton, rice, and wheat. India has also agreed to increase imports from China. The Indian side is interested in buying fiber.

Both sides signed a trade protocol for the period from 20 September 1989 to 19 September 1990. Both sides expressed interest in expanding economic cooperation on the basis of equality and mutual benefit. They also agreed that both countries will hold discussions on setting up joint industrial ventures, partnerships in construction of projects in third countries, and prospects for investment in each other's country.



## Sub-Saharan Africa

### Zairean President Meets Envoy; Expresses Support

OW2209041989 Beijing XINHUA in English  
0216 GMT 22 Sep 89

[Text] Kinshasa, September 21 (XINHUA)—Zairean President Mobutu Sese Seko today expressed "sympathy, comprehension and non-interference in the internal affairs" over the June crushing of counter-revolutionary riot in Beijing, China.

Mobutu said this when meeting with the Chinese Ambassador to Zaire An Guozheng today stressing that his country always remains a friend of China.

Expressing satisfaction over the economic cooperation between the two countries, Mobutu reiterated "we will continue to cooperate in a long term". He also praised the devotion of the Chinese experts working along with the Zairean people.

The Chinese ambassador on the occasion stressed China's determination to continue its reform and policy of opening for foreign countries and its independent and peaceful foreign policy.

### Congolese Communist Party Leader Praises Reform

OW2209075189 Beijing XINHUA in English  
0636 GMT 22 Sep 89

[Text] Brazzaville, September 21 (XINHUA)—A Congolese Communist Party leader praised China's domestic reform policy today and its open policy towards the world.

Andre Obami-Itou, Political Bureau member of the Congolese Labor Party and head of the foreign affairs' department, in meeting Chinese Ambassador Wu Shunyu [as received] here today described the putting down of the June turmoil in Beijing as "an internal affair of China" and expressed conviction that the Chinese Communist Party "is capable of surmounting the difficulties caused by the sanctions imposed by certain Western countries against China."

Obami-Itou pledged that his country will develop cooperative relations with all the friendly countries who wish to.

## West Europe

### Bomb Destroys Paris Mission's Vehicle

OW2209081489 Beijing XINHUA in English  
0742 GMT 22 Sep 89

[Text] Paris, September 21 (XINHUA)—Chinese Embassy here has made a solemn representation to French authorities on the bomb incident that destroyed a car of the Chinese diplomatic mission's commerce office in Paris.

The incident happened around seven o'clock Wednesday morning in front of the commerce office. The explosion and the fire afterwards destroyed the car and damaged two others nearby.

All the three are diplomatic cars.

French police have inspected the scene after the incident.

### Hong Kong Liaison Group To Meet in London

OW2109211489 Beijing XINHUA in English  
1631 GMT 21 Sep 89

[Text] London, September 21 (XINHUA)—The Sino-British Joint Liaison Group on Hong Kong will meet here between September 27 and 29 to resume talks, the British Foreign Office announced today.

The meeting, the 13th of its kind, will run simultaneously with a meeting between Chinese Foreign Minister Qian Qichen and his British counterpart, John Major, in New York next week during the 44th session of the U.N. General Assembly.

A foreign office spokesman said the date of the talk resumption was set when British Foreign Secretary Major met Qian Qichen on July 30 during the Paris International Conference on Kampuchea.

The British team of the liaison group will be led by Mr Robin McLaren, assistant under-secretary of state at the foreign office.

The Sino-British Joint Liaison Group on Hong Kong was originally scheduled to meet in London in July. But the session was unilaterally suspended by Britain after the incidents in China in June. China has expressed its regret about Britain's decision.

Under the 1984 Sino-British Joint Declaration on Hong Kong, the group will meet in London, Beijing and Hong Kong three times a year, and China will recover its sovereignty over Hong Kong in 1997.

## East Europe

### Economic, Technical Pact Signed in Romania

OW2109184289 Beijing XINHUA in English  
1301 GMT 21 Sep 89

[Text] Bucharest, September 21 (XINHUA)—China and Romania have signed a long-term cooperation agreement after the 10th meeting of the Sino-Romanian Economic and Technical Cooperation Committee which ended here today.

The long-term economic and scientific and technological cooperation agreement and a minute of the committee's meeting were signed today by the committee's Chinese-side Chairman Zou Jiahua, member of China's Council of State [as received], and Romanian-side Chairman Ion Dinca, Romanian first deputy prime minister.

During the 8-day meeting, the two sides reviewed the results of economic and technological cooperation between the two countries since its last meeting in October last year, reviewed the existing cooperation projects, discussed measures for new programs and for further development of bilateral trade.

The committee was established in 1987 and meets once a year.

#### **Tian Jiyun Meets Hungarian Agricultural Group**

*OW2109210889 Beijing XINHUA in English  
1538 GMT 21 Sep 89*

[Text] Beijing, September 21 (XINHUA)—The contracted household responsibility system, adopted in China's rural areas since 1979, is effective and suited to the actual condition of most of the areas, Vice-Premier Tian Jiyun said here today.

While meeting with Szabo Istvan, chairman of the National Council of Agricultural Co-operative of Hungary, Tian said practice shows that the system has helped to raise the initiatives of the peasants, liberate productive forces and promote agricultural production. The system should be carried for a longer time, he noted.

China is now facing challenges of increasing population and decreasing area of farmland, Tian said. Grain problem in China has to be solved basically through

self-reliance and it is hard to imagine that the food for 1.1 billion people will come from foreign countries, he said.

Szabo Istvan said that Hungary is very interested in China's experiences of socialist construction, especially in the development of agricultural production.

#### **SFRY Holds National Day Photo Exhibit**

*OW2209045589 Beijing XINHUA in English  
0243 GMT 22 Sep 89*

[Text] Belgrade, September 21 (XINHUA)—To mark the 40th anniversary of the founding of the People's Republic of China, Yugoslavia today opened a photo exhibition about Chinese construction achievements in Belgrade.

Stanislav Stakic, deputy foreign minister of Serbia, and Ma Xusheng, Chinese ambassador to Belgrade, attended the display.

Stakic praised the achievements of China over the past 40 years and the good relations between the two nations.

He said he hopes the exhibition will further strengthen mutual understanding and promote bilateral cooperation between his country and China.

The display, organized by the Serbian Republic and Belgrade Culture Palace, will end on October 1.

## Political & Social

### Jiang Zemin Stresses Ideological Education

OW2209091989 Beijing XINHUA in English  
0903 GMT 22 Sep 89

[Text] Beijing, September 22 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, today called for the first priority to be given to ideological education in building the party.

Jiang said that China will resolutely carry out reforms of both economic and political structures, but these reforms should help enhance and improve the party leadership, and consolidate and perfect the socialist system.

The general secretary made these remarks at a meeting to commend advanced local party organizations and model party workers.

State and party leaders Yang Shangkun, Li Peng, Wan Li, Qiao Shi, Yao Yilin and others were present at the meeting, which closed here today.

Jiang said that the purpose of separating the party from government functions is to "establish a powerful government operation system", and also to enhance and improve the party leadership.

He noted that it would be a mistake to hold that "separation of party from government" means "severing the connection between the party and the government" or only strengthening the government function and weakening the party's leadership.

Reviewing the course of the party's development, he said China has made remarkable achievements in its socialist program under the leadership of the Chinese Communist Party in the past 40 years.

The number of party members has grown from 4.48 million in 1949, when New China was founded, to 48 million at present, he added.

He admitted that the party has made mistakes in course of advance, but it has corrected and overcome them by relying on its own efforts with support from the people.

Facts prove that the Chinese Communist Party has the capability to shoulder the historic task of building socialism in China, he said.

But, he noted, the party is challenged with the tasks of ruling the nation, economic reform and opening to the outside world.

He warned that both international and domestic hostile forces are still attempting to subvert China's socialist system and overthrow the party's leadership. Bourgeois ideas have affected its members and corruption exists within the ranks.

Thus, Jiang urged all party members to enhance their ideological education for the building of the party and carry forward its fine traditions.

### Jiang Zemin, Others Mark CPPCC Anniversary

OW2209015189 Beijing XINHUA Domestic Service  
in Chinese 1458 GMT 21 Sep 89

[By reporters Zou Aiguo (6760 1947 0948), Zhang Sutang (1728 1372 1016); "Local Broadcast News Service"]

[Text] Beijing, 21 Sep (XINHUA)—A pleasant, festive mood prevailed in the colorfully decorated and brightly lit auditorium of the National Committee of the Chinese People's Political Consultative Conference [CPPCC] this afternoon. Li Xiannian, chairman of the CPPCC National Committee, and party and state leaders Comrades Jiang Zemin, Yang Shangkun, Li Peng, Wan Li, Qiao Shi, Yao Yilin, Song Ping, Li Ruihuan, and Wang Zhen, as well as members of the 6th and 7th CPPCC National Committees happily got together to celebrate the 40th anniversary of the founding of the CPPCC.

The first CPPCC plenary session ceremoniously opened at Zhongnanhai's Huaiyuan Hall 40 years ago. At that session, Chairman Mao Zedong solemnly declared: The People's Republic of China has been founded, and the Chinese people, who account for one quarter of the world population, have now stood up!

The CPPCC, under the leadership of the Communist Party of China, has played an important role for the last 40 years in building and developing the People's Republic, promoting socialist revolution and construction, realizing the four modernizations at an earlier date, and achieving the reunification of the motherland.

Also participating in today's celebration were leading comrades Ding Guangen, Song Renqiong, Wang Shoudao, Liu Lantao, Xiao Ke, Cheng Zihua, Xi Zhongxun, Peng Chong, Zhu Xuefan, Kong Yiren, Sun Qimeng, and Lei Jieqiong.

The ceremony, sponsored by the General Office of the CPPCC National Committee, was held in a solemn but simple manner. Comrade Jiang Zemin and others met with the vice chairmen of the Sixth and Seventh CPPCC National Committees in the lounge. They sat together for cordial conversation and to exchange greetings. The leaders also conveyed their cordial greetings and deep respect to CPPCC members at various levels and to comrades working diligently in the CPPCC offices.

Vice chairmen of the Sixth and Seventh CPPCC National Committee who participated in today's celebrations were Wang Renzhong, Gu Mu, Kang Keqing, Zhou Peiyuan, Zhao Puchu, Qu Wu, Ma Wenrui, Qian Xuesen, Qian Weichang, Hu Sheng, Sun Xiaocun, Cheng Siyuan, Ismail Amat, Hou Jingru, Yang Chengwu, Chen Zaidao, Lu Zhengcao, and Wang Feng.

After the ceremony, Comrade Jiang Zemin and Li Peng zestfully visited the "Painting and Calligraphy Exhibition in Celebration of the 40th Anniversary of the CPPCC."

#### **Spokesman Yuan Mu Interviewed by Japanese Press**

*HK1909135089 Beijing RENMIN RIBAO in Chinese  
18 Sep 89 pp 1,2*

["Yuan Mu, Answering Questions Posed by Reporters Group From Japan's SANKEI SHIMBUN, Talks About Chinese Political and Economic Issues of Interest to Foreign News Media"—RENMIN RIBAO headline]

[Text] Beijing, 17 Sep (XINHUA)—According to a JINGJI RIBAO report, on 16 September Yuan Mu, State Council spokesman, was interviewed by a reporter group from Japan's SANKEI SHIMBUN who had been invited by JINGJI RIBAO to cover news in China. Yuan Mu answered their questions about China's current political and economic situation, in which the public in foreign countries is interested.

Question: We have come to China to gather news at a time when the PRC will celebrate its 40th founding anniversary. We feel that the achievements China has made in the past 40 years are very great, although there have been some setbacks during this period. In what direction will China develop after the 4 June incident? This is a question of great concern to the Japanese people.

Answer: Since the storm which occurred recently, China's leaders have stated on many occasions that China will not change the goals and basic policy it has set for itself. The general orientation for China remains the realization of socialist modernization. We will continue to implement the basic line of adhering to the four cardinal principles and carrying out the reform and open policy with economic construction as the central task. Some Western countries repeatedly say that China has changed its policy since quelling the rebellion. This is a misunderstanding on their part. Or, to put it another way, their understanding of China's reform and opening up was not quite correct from the very beginning. They mistakenly assumed that China's reform and opening up were aimed at privatization in the economic field, pluralization in the political field, and wholesale Westernization in the cultural field. We will never take this road. Our established policy will not change, and we will not turn away from the orientation of realizing socialist modernization.

Our strategy for economic development will still be fulfilled in three stages. In the first stage beginning 1980, we planned to double our gross national product and basically guarantee the people's needs for food and clothing. This objective has been achieved. In the second stage, we will redouble the gross national product by the end of this century and raise the people's living standards to a comparatively well-off level. We are now

endeavoring to achieve this objective and we are confident of achieving it, even though we will encounter many difficulties. In the third stage, we will work for another 50 years to raise the GNP per capita to the level of an intermediate-level developed country.

In foreign affairs, we will continue to adhere to our independent policy aimed at peace. Proceeding from safeguarding the fundamental interests of the people of China and the world, we will deal independently with international relations and our bilateral relations with other countries. We will never accept interference from any external force. We will also continue our efforts to safeguard world peace and oppose hegemonism. We will persevere in doing two things: First, to strive to establish new international political order on the basis of the Five Principles of Peaceful Coexistence; and second, to strive to develop economic relations with other countries on the basis of equality and mutual benefit and strive to establish a new international economic order.

Question: I was in China last September, and I am here again now. When I passed by Tiananmen Square I saw soldiers of the martial law enforcement troops. A question of great concern to us now is when martial law will be lifted.

Answer: I should first explain to you the exact meaning of the enforcement of martial law in some areas of Beijing. I do not know how you translate the word "jie yan [2054 0917]" into Japanese, but it translates into "martial law" in English. I do not think the word "martial law" in English can accurately express what we mean by "jie yan." "Martial law" generally means that an area is completely under the control of the military when the civilian government has lost the ability to control the political situation. Now, what has happened here is that the central people's government, namely the State Council, enforces martial law in some areas of Beijing Municipality according to its power prescribed in the Constitution, and the People's Liberation Army carries out the martial law task in light of the order issued by the government, with the troops posting guards in some important institutions and along some main roads. This measure does not affect state affairs and the normal social and economic activities of the public and its only purpose is to maintain the public order. The enforcement of martial law ended the chaotic situation 3 months ago. Now, the public order in the capital has basically returned to normal, and the capital's stability also promotes the whole country's stability. Martial law will continue to be enforced for a certain period in some areas of the capital, and this is a major factor in guaranteeing the stability of the capital and the whole country. Martial law is still in effect mainly because first, a small number of rioters are still at large and have yet to be punished according to law, and second, the weapons snatched by the rioters in the previous period have yet to be fully recovered, with a small portion of these weapons still lost somewhere in society. At present, the martial law restrictions are gradually being relaxed, and there are fewer checkpoints. The masses can visit Tiananmen



Square in an organized way. The daily activities of residents in the capital are normal in every aspect. Of course, martial law will eventually be lifted but it must still be maintained for some time.

By the way, I should point out here that some Western countries have made China's lifting of martial law a precondition for restoring their contacts with China, and this constitutes interference in China's internal affairs. By no means will we accept this kind of proposition. As a matter of fact, the continuation of martial law for some time will not affect our contacts with foreign countries. It does not in any way affect your coming here to cover news, does it?

Question: What is Zhao Ziyang, the former general secretary of the CPC, doing now? What will be done about him in the future?

Answer: Comrade Zhao Ziyang committed the serious mistake of supporting the turmoil within the party and of splitting the party. So far, his problem is still considered an inner-party problem. At the 4th Plenary Session of the 13th CPC Central Committee in June, Zhao Ziyang was dismissed from the posts of general secretary, member of the Political Bureau Standing Committee, member of the Political Bureau, and member of the CPC Central Committee in accordance with the party constitution and in light of the democratic procedures, after discussion by and the resultant unanimous approval of all members of the Central Committee. Our party is still investigating his case, and further actions taken against him will be based on the facts of his mistakes.

Question: Where does Mr Zhao Ziyang live now? Is he free to move about from day to day?

Answer: He remains free in his daily life and enjoys the same pay and welfare benefits as before. He still lives in Beijing.

Question: Is Mr Deng Xiaoping, chairman of the Central Military Commission, in good health? There have been some Western reports regarding the health of Mr Deng Xiaoping. Will he show up on National Day?

Answer: I can tell you that Comrade Deng Xiaoping is very well. He is in excellent health. Tonight (16 September), you may see him on television. If our meeting was being held tomorrow you certainly would not have asked this question. Some news media in the West and in Hong Kong and Taiwan have frequently made a fuss about Comrade Deng Xiaoping's health and have fabricated various rumors. This is indeed despicable and disgusting.

Question: Economic development is uneven in various areas of China and economic development in coastal and interior areas is especially uneven. What do you think about this?

Answer: China is a very large country, and it is quite true that economic development in different areas is uneven to a serious degree. Through China's efforts during the past 10 years, its 1.1 billion people have basically got

sufficient food and clothing, and this should be regarded as a major achievement. However, at present, some areas with a total population of several tens of million people have not got sufficient food and clothing yet. These poor areas are mostly old revolutionary base areas with unfavorable natural conditions, areas inhabited by minority nationalities, and remote areas. A big gap exists in economic development between these backward areas and some economically developed coastal and interior areas. Our present policy is to support further economic development in coastal areas and to encourage them to acquire raw materials and sell products on overseas markets as much as possible according to their actual conditions, thus developing an outwardly oriented economy. At the same time, we encourage economic cooperation between coastal and interior areas and encourage the shift of funds, technologies, and skilled manpower from coastal areas to support the development of interior areas, thus narrowing the gap step by step. Of course, all this will take time, and it is hard to see marked results in the short term. With implementation of the abovementioned policy some major changes have occurred in interior areas with rich resources. For example, Shanxi has sped development of its coal resources through economic cooperation with coastal areas, and the province's economic condition has been much improved. The state has also allocated special funds to support some poor areas which are also short of natural resources in order to help them develop local economies.

Question: We fully understand that China will continue to pursue the reform and open policy. China is now carrying out economic improvement and rectification. What impact will this measure have on the development prospects for agriculture, township and town enterprises, and the individual economy in China?

Answer: The central issue of economic improvement and rectification is to curb inflation and gradually mitigate the contradiction between gross supply and gross demand in society, because demand in society was excessively swollen by the overheated economic conditions during the past few years. At present, we are studying and formulating an overall program for economic improvement and rectification to fix an explicit target, work out a timetable, and adopt concrete steps, measures, and policies for economic improvement and rectification. An important issue in adjusting the economy is to gradually overcome the stagnant condition in agriculture and strive to develop further agricultural production. We will adopt a biased policy toward agriculture and basic industries, and toward the construction of infrastructural facilities, through rationalizing the production and investment structures on the premise of maintaining the overall balance in the national economy. The development scale and speed of various processing industries will be appropriately restrained, and the price structure will also be adjusted. It is necessary to appropriately raise the prices of grain and cotton and the prices of energy and some major raw

materials in order to support the development of the agricultural, energy, and raw material industries. As for township and town enterprises, our policy can be summarized in several phrases: The development speed will be lowered, production structure rationalized, technological level raised, and management and business practice will be improved. In general, township and town enterprises will be further developed but they must be correctly guided. As for the individual economy, while continuing to encourage its proper development, we will strengthen necessary management over this sector to ensure that it acts better as a necessary and useful supplement to the public economy.

**Question:** Why did China decide to raise transport charges by a large margin? As there are two price systems for agricultural products, will state prices be the main area for adjustment? To what degree will state prices be decontrolled?

**Answer:** Not long ago we raised the prices of passenger tickets in railway, water, and air transport, but we did not change freight rates. It is expected that this will not affect the overall price level too much. For a long time we pursued a low price policy in the transport industry, and this became completely incommensurate with the general price level and caused serious business losses to the transport industry. It was hard to continue normal operation of the transport industry if prices were not adjusted. The increase in passenger ticket prices will be favorable to the development of our country's transport industry. Our people can understand this.

The main step in adjusting the prices of agricultural products is to gradually and appropriately raise the purchase prices in the contracts signed by the state with peasants. Of course, purchase prices will still be lower than market prices. It is the peasants' duty to actively sell grain and other agricultural products to the state. After they fulfill the contracted quotas they may sell surplus grain on the free market. It is impossible to eliminate the differences between two price systems within a short time.

**Question:** Today, the nationality problem in the Soviet Union is a very serious headache. What policies and measures will China adopt to handle problems concerning minority nationalities?

**Answer:** We constantly carry out the policy for maintaining equality and mutual assistance between different nationalities and the policy for respecting minority nationalities. According to the Constitution and the relevant laws, minority nationalities exercise autonomy in the areas where they live in compact communities. We firmly respect and protect the regional autonomous rights of the minority nationalities. We also constantly respect the customs and habits of various minority nationalities, respect their religious beliefs, guarantee their right to use their own spoken and written languages, and encourage majority nationalities, especially the Han nationality, to help minority nationality areas promote

economic and cultural development. Since the founding of New China, various minority nationality areas have trained a large number of cadres of their own minority nationality. In general, we have achieved successful and positive results in pursuing the policy for ensuring equality and mutual respects between various nationalities. At present, although trouble still exists in some minority nationality areas, the political situation in most minority nationality areas is stable. Economic and cultural development there is continuing and is rather rapid in some areas. Of course, for various historical and current reasons de-facto inequality between various nationalities will continue to exist for a certain period to come. Earlier this year riots occurred in Tibet. This was mainly because the Dalai Lama and his associates stepped up their activities of splitting the motherland in foreign countries, and there also existed a small number of separatists inside Tibet who tried to realize "independence" in Tibet. Any attempt to separate Tibet from the motherland will not be tolerated by the whole people of all nationalities, including the Tibetan people, and is doomed to failure. At present, the situation in Tibet has been gradually stabilized rather than worsening further, and public order there has returned to normal.

**Question:** In Hong Kong, many people did not trust the Chinese Government after the 4 June Incident. What steps will the Chinese Government take to restore Hong Kong's trust in China?

**Answer:** We have noticed the phenomenon you have mentioned. This was caused by misleading reports about the turmoil and revolt in our country in Hong Kong, Taiwan, and foreign countries. It was especially caused by the spread of large numbers of rumors that confused the minds of the people. I believe that as the true facts of checking turmoil and quelling the rebellion in our country are known to more and more people in the world, and with the continuing stability of China's political situation and further economic development in China, the feelings of the Hong Kong compatriots will gradually become unbiased and their trust in the Chinese Government will be gradually restored. I am fully confident in this. On the Hong Kong issue, our government's policy of "one country, two systems" will never change, and we do not allow anyone to refuse to implement the agreement concluded by the Chinese and British Governments on the Hong Kong issue under any pretext. We will never arbitrarily change the current social system in Hong Kong and we will never tolerate those who try to turn Hong Kong into a base for subverting the central people's government. "Well water not intruding into river water" should be a rule observed by both sides. In the current transition period, and after Hong Kong returns to the motherland, we will make unremitting efforts to guarantee Hong Kong's stability and prosperity. I think that Hong Kong people should also understand this point and that is that Hong Kong's prosperity and stability will depend on the mainland's prosperity and stability. Any turmoil on the mainland will eventually impair the fundamental interests of the Hong Kong compatriots.

Question: Currently, some political changes are taking place in Eastern Europe, particularly in Poland and Hungary. In Poland the Solidarity Union exists. Will China allow its workers to organize trade unions of their own accord in the future?

Answer: We also are paying close attention to the recent developments in Poland and Hungary but we consistently follow the principle of not interfering in other people's internal affairs when handling relations with other communist parties and other socialist countries. We believe that parties and peoples in various socialist countries will eventually find the correct road to practice socialism in accordance with their own national conditions. In China, we do not allow the appearance of opposition factions or opposition parties that shake off the leadership of the Communist Party. In our country, trade unions are mass organizations of workers under the leadership of the CPC and, at the same time, they carry out their activities independently to safeguard the interests of the workers under the party's guidance. In the course of the recent turmoil and rebellion, illegal worker organizations such as the "Autonomous Union of Workers" appeared in Beijing and several other cities. The backbone members of these organizations consisted of an extremely small number of lawless elements instigating the turmoil and the rebellion. Thus they were suppressed before long, and the crackdown won support from the working masses. During the storm that recently occurred the Chinese working class, especially the ranks of industrial workers, remained steadfast and firmly supported the CPC's leadership and the socialist system.

Question: On the issue of Japanese-Chinese relations, what does China wish Japan to do to further economic, trade, technological, and financial cooperation between the two countries in the future?

Answer: Since China and Japan restored their diplomatic relations, in general, bilateral relations have been developing normally and smoothly in light of the joint statements and the peace and friendship treaty concluded by the two countries. China always sets great store by relations with Japan. We are close neighbors only separated by a strip of water. China hopes to maintain friendship with Japan generation after generation. During the recent storm the Japanese side did something which hurt the feelings of the Chinese people. Of course, we have also noticed that the attitude of the Japanese Government was somewhat different from that of some Western powers, such as the United States. Personally, I hope that this was merely a minor interlude in the longstanding friendly relationship between China and Japan. I also hope that the Japanese side will make further efforts to reduce its trade surplus with China and increase imports of Chinese products suited to the needs of its domestic market. I also hope that Japan will relax control over technology transfers to China and guarantee continued implementation of the financial cooperation agreements that have been concluded.

Touching on the fact that, at present, some foreign governments still support and connive with various antigovernment activities in their territories carried out by rioters who are on the Chinese Government's wanted list, Yuan Mu said he is firmly opposed to what they are doing. He expressed the hope that all foreign governments, having given asylum in their own countries to the rioters on China's wanted list, will respect China's laws and observe the norms of international law by properly and correctly handling these problems. At the same time, he also said that it was also noticeable that activities of all kinds carried out by these rioters who fled to foreign countries have been gradually restrained in some aspects. For example, when they carried out activities commemorating the 100th day since the Tiananmen Incident, they failed to achieve their expected purpose and scale for various reasons. A basic fact and a decisive factor is that China, with a population of 1.1 billion people under the leadership of the CPC, remains stable, and the Chinese Government is able to control the situation. More and more sensible people have come to realize this point and that they still need to come into contact with China under the leadership of the CPC. All attempts to isolate China will just be futile and will be very unfavorable to people who harbor such attempts.

Finally, the Japanese reporters expressed sincere wishes to China for making greater achievements in its socialist construction. Yuan Mu also expressed gratitude to them and asked them to relay his regards to their Japanese readers.

#### **RENMIN RIBAO on Reform, Opening Up**

HK2209035189 Beijing RENMIN RIBAO  
OVERSEAS EDITION in Chinese 22 Sep 89 p 1

[Editorial: "There Will Be No Change in the General Principle of Reform and Opening up"]

[Text] Will there be any major change in China's major guidelines and basic trends following the quelling of the counterrevolutionary rebellion in Beijing? The people of the whole country are extremely concerned about this, while there has been a wide variety of international conjectures. The crux of the discussion is, will the general principle of reform and opening up change? This discussion has still not died down, hence it is necessary to expound our views on this issue.

Comrade Deng Xiaoping distinctly pointed out when receiving cadres at and above army level of martial law units in Beijing that there was nothing erroneous in the "one focus and two basic points" summarized by the 13th party congress. It is essential to unswervingly continue to act accordingly. We should make "our pace of reform and opening up still steadier, still better, and even still faster." The 4th Plenary Session of the 13th CPC Central Committee also solemnly proclaimed: "The Four Cardinal Principles are the foundation for



building the country and must be adhered to unwaveringly and unswervingly; reform and opening up represent the way to build a strong country, and must be unswervingly and continually implemented; we must certainly not go back to the old road of closing the country's doors to the world." In the past 3 months and more, this stand has been repeatedly reiterated in many speeches of party and state leaders and in all our country's external activities.

To say that there will be no change in the general principle of reform and opening up is determined by the factors of the two basic points. First of all, practicing the general principle of reform and opening up is the inevitable trend of China's socialist development and represents the objective demand of further liberating the productive forces and developing them. The socialist system is the most advanced social system in the whole of human history up to now. However, unless we break down the closed door situation and reform ossified patterns, we will be unable to rapidly develop the productive forces and give full scope to the superiority of the socialist system. Today, when the world's economy, science, and technology are developing rapidly, China can hardly hold its place in the world unless it reforms and opens up. Second, this objective demand is already recognized by the great majority of our people. After the 3d Plenary Session of the 11th CPC Central Committee, as soon as we embarked on reform and opening up, the development of the economy, the increase in the national strength, the improvement in people's living standards, and the progress in various other aspects were all much faster than before. History is the best teacher. Comparing today with the past, people really believe that reform and opening up constitute the only way for the Chinese nation to become prosperous and strong. If it is acknowledged that the idea that "China must reform and open up" was only understood by a few people around the time of the 3d Plenary Session of the 11th CPC Central Committee, then, as a result of the education from 10 years of practice, the idea that "China must reform and open up" has become the common understanding of the country's 1.1 billion people and turned into the masses' common practice and demand. Reform and opening up are in tune with the tide of the times and the needs of the masses, and are not something that can be changed just because someone wants to change them. In order to achieve a comfortably well-off living standard by the end of the century, to reach the level of medium developed countries by the middle of the next century, and to try hard to catch up amid the fierce international competition, we must be still more bold in carrying out reforms and opening up. Stressing that we must continue to unswervingly practice the general principle of reform and opening up precisely reflects the objective laws of social development and the fundamental interests of the masses.

"At present great stress is being laid on adhering to the four cardinal principles and opposing bourgeois liberalization, and the atmosphere of reform and opening up is

lacking, so how can we ensure that the principle of reform and opening up will not be changed?" This is an important reason why certain people at home and abroad have become dubious over our pursuit of reforms and opening up. Actually this is a very big misunderstanding. The four cardinal principles and reform and opening up permeate and depend on each other and are unified in the practice of building socialism with Chinese characteristics. The reform and opening up we speak of are reform and opening up on the basis of adhering to the four cardinal principles. However, in the past few years certain people have looked at reform and opening up from the viewpoint of bourgeois liberalization and opposed adhering to the four cardinal principles. The "reforms" they speak of actually mean changing to the capitalist road; the "opening up" they speak of actually means turning China into an appendage of imperialism. This so-called "reform and opening up" is completely different from the reform and opening up that we speak of. It is evident that there are two fundamentally different lines of thought and two diametrically opposed views on the issue of reform and opening up. From the angle of our line of thought and viewpoint, both the four things to be adhered to and reform and opening up are indispensable, and neither of these two aspects should be weakened. In view of the fact that we have not made sufficient efforts in adhering to the four things and opposing bourgeois liberalization in recent years, it is very essential to stress that this must be seriously grasped and persevered in. This can only lay a still sounder foundation and provide a still more effective guarantee for reform and opening up, and will certainly not hamper reform and opening up.

"Is it not a fact that great stress is being laid now on guarding against peaceful evolution? How then can we talk about opening up to the world?" This is confusing two issues. It is quite true that we must remain alert against the conspiracy of hostile external forces to bring about peaceful evolution in China, and continually see through and smash their vicious attempts in this respect. At the same time, we must continue, as before, to develop relations with all countries and regions on the basis of the Five Principles of Peaceful Coexistence; we must continue to practice the open policy, to bring foreign capital, technology, advanced management experiences, and so on into China for our own use, so as to speed up our country's modernization. We will be unswerving in this respect. We must certainly not stop eating for fear of choking. Adhering to the basic economic and political system that has been laid down and seeking rapid development of our economy, science, and technology, and culture represent two aspects of one thing. We resolutely oppose the efforts of certain foreign political forces to bring about peaceful evolution in China; and we warmly welcome in the past, now, and in the future the efforts of foreign countries and many entrepreneurs to do business in China and engage in cultural, scientific, and technological exchanges with us, and we are willing to promote such exchanges on the basis of equality and mutual benefit. In opposing one

thing and welcoming the other, our aim is to promote China's stability, development, and prosperity. The facts of the development from turmoil to rebellion show that if we abandon vigilance against the peaceful evolution conspiracy, this is bound to interfere in and sabotage opening up to the world; and if the work of guarding against peaceful evolution and carrying out education in this respect is done well, opening up to the world will certainly develop healthily along the correct road.

There are also some comrades who hold that the reason why phenomena of corruption, the rampant spread of the ideological trend of bourgeois liberalization, and turmoil and counterrevolutionary rebellion appeared is because reform and opening up were grasped too vigorously and carried out a bit too fast, and so they hope that the pace of reform and opening up will be slowed down somewhat. Such ways of thinking are incorrect. Viewing the two aspects of reform and opening up on the one hand and cracking down on economic crime and carrying out ideological and political work on the other, it is a fact that one aspect has been grasped rather vigorously and the other rather softly in recent years. However this is only a relative way of stating things, and certainly does not mean that we have already done enough in reform and opening up.

We should say that we have not done enough in reform and opening up. For instance, in economic structural reform, the old closed and ossified setup has not yet been completely destroyed, while a new mechanism of socialist commodity economy brimming with energy and vitality has not yet formed. In political structural reforms, what we have done is only a start. We still have to make long-term and arduous efforts in building socialist democratic politics, and the tasks proposed by the 13th party congress still need to be gradually fulfilled. In opening up to the world, although in recent years we have imported a good deal of capital, technology, equipment, and advanced management experiences, this is still far from sufficient in terms of our modernization drive. Hence, reform and opening up cannot mark time at the existing level but must be further deepened and developed. Since that many bad Western influences are bound to come in as reform and opening up unfold, we must pay great attention to this question and deal with it seriously, but we must certainly not go back to the old road of closed doors and ossification. To deal with bourgeois liberalization and various negative and corrupt phenomena, we must rely on stepping up education in the four cardinal principles, strengthening ideological and political work, and cracking down hard on economic crime and so on in order to overcome them; but we must not weaken reform and opening up. The correct guideline for solving the problem of grasping one aspect vigorously and the other softly without good coordination is not to weaken or halt the vigorous aspect to bring it into line with the weak one, but, on the one hand, to make positive efforts to strengthen the weak aspect, and on the other to make still greater efforts to make the vigorous aspect still more vigorous and bring the two

into line with each other at a still higher level. This is our goal, and the comrades of the whole party must strive to attain it.

Does maintaining the general principle of reform and opening up unchanged mean that all the specific policies, measures, methods, and steps for reform and opening up will also remain unchanged? Of course not. Adhering to the general principle of reform and opening up does not mean that there can be no changes in the specific policies, measures, methods, and steps for reform and opening up; and if there are certain readjustments in these respects, it does not mean that the general principle of reform and opening up is being changed. In fact, certain readjustments in specific measures and methods are precisely aimed at adhering still better to the general principle of reform and opening up. Since the 3d Plenary Session of the 13th CPC Central Committee, the state has adopted various new measures, including seriously implementing the measures already proposed, in order to carry out the guideline of improvement, rectification, and deepening the reforms, and all these have been aimed at ensuring the sustained and steady development of the economy and creating a still better environment for reform and opening up. For instance, regarding the orientation of investment, we have practiced an appropriate bias in line with the principle of strengthening primary industries and agriculture. Again, it is necessary to make suitable readjustments regarding those township and town enterprises that waste electricity and raw materials. Again, in the field of foreign trade, we must restrict imports of cars, high-grade domestic electrical appliances, and so on. How can the implementation of these specific policies, measures, methods, and steps mean that the general principle of reform and opening up will be changed? It should be pointed out that the statement that the general principle of reform and opening up will not be changed includes the possibility of changing the specific policies, measures, methods, and steps. That the specific policies can be changed is the proper meaning of no change in the general principle. Reform and opening up are without precedent, and if certain specific policies, measures, methods, and steps are found through the test of practice to be not very successful or very unsuccessful, and are left unchanged, this will not help but will actually harm the implementation of the general principle. Of course, when readjusting or changing certain specific policies, measures, methods, and steps, we must not act with undue haste but must consider things carefully, proceed with great caution, persevere in keeping the overall situation in mind, and by all means avoid causing an unfavorable impact on the overall situation of reform and opening up just by one careless move.

We cannot do without an organizational guarantee in adhering to the general principle of reform and opening up. And the most important thing is the guarantee of the leadership core of the CPC Central Committee. The new leadership organ with Comrade Jiang Zemin as the core elected by the 4th Plenary Session of the 13th CPC

Central Committee is seen by the whole party and the people of the whole country as a team that upholds the party's basic line and embodies China's future. The things done by the new central leadership organ have made people believe still more firmly that this is a thoroughly trustworthy strong core that can lead us to adhere to the foundation for building the country and advance soundly along the path of reform and opening up for building a strong country.

What has basically happened in the vast land of China in the past 3 months and more is that while leading the Chinese people to take a clear-cut stand in adhering to the four cardinal principles and opposing bourgeois liberalization, resolutely putting a stop to turmoil, and totally quelling the counterrevolutionary rebellion, the CPC is now unswervingly continuing to press ahead with the business of reform and opening up. All unbiased people at home and abroad will acknowledge this point. As a result of cool and objective observation, those people on the international scene who harbored doubts are now getting rid of them; the apprehensions of certain people are gradually being dispelled; and more and more people are reestablishing confidence in China's reform and opening up and its modernization drive, and are giving active support and sincere cooperation. Maybe certain people intend to still wait a while to see what happens. All right, let them do so. Facts in the end speak louder than words.

#### Article Criticizes Dissident Yan Jiaqi

HK2109151089 Beijing RENMIN RIBAO in Chinese  
2! Sep 89 p 6

[Article by Wu Daying (0702 1129 5391) and Li Yan-ming (2621 1693 2494): "The Socialist Republic Cannot Be Toppled—Commenting on Yan Jiaqi's Political Theory and Practice"]

[Text]

#### The "Theoretical Foundation" for Subverting the PRC

Yan Jiaqi, who fled abroad, issued an article entitled "China Is Not a 'Republic'" in July 1989. In the article he said that the PRC was a "monarchy" practicing "autocracy" rather than a republic. Prior to this he also asserted in the "17 May Declaration" that the PRC Government "is not a republican government."

In fact, this argument by Yan Jiaqi took shape long ago. In 1980, Yan issued two articles in succession: "The Cycle of Dynasties" and "The Mark of Dynasty Lying Hidden in the Republic." In the articles he said that the history of China, which had lasted for thousands of years, was characterized by the "cycle of dynasties." Thanks to victory in the armed struggle led by the CPC, "the 20th century now has new contents of the ancient historical cycle." In other words, although there are new contents we are still within the scope of the dynastic cycle. For the sake of disguising himself, Yan expressed

the idea that "China is not a republic" in rather ambiguous terms at that time. He said that "there are many feudal dynastic marks lying hidden in our People's Republic." "Only by removing the dynastic marks can China become a socialist republic in name as well as in reality." Although he wrote in a roundabout way, the idea "China is not a republic" was clearly expressed. Later, Yan Jiaqi expressed the same idea on many occasions. He posed the topic or idea from other angles, like separation of powers, limiting the leaders terms of office, and procedural politics, which were all related to this argument.

Yan Jiaqi had the following "grounds" for his theory:

First, "the regimes established by the peasants after their victories in wars all constituted a new dynasty; this is the historical law for all peasant wars in Chinese history." "The armed struggle led by the CPC was in nature a peasant revolution and peasant war." Hence, "according to the tradition of China's historical development, the peasants who have won victory in the war should establish a new powerful dynasty in China." Even though the appearance of the CPC has added "new contents" to history it is still linked to the "ancient historical cycle."

Second, instead of practicing the system of separation of three kinds of powers, "the supreme powers of the state are in the hands of one man and no individual or organ is allowed to separate them."

Third, "the supreme powers in the hands of one man are not transferrable." That is, the life-tenure system for top positions practiced in China.

Fourth, "there are no procedures for succession to the highest positions." Succession to the highest positions is either transferred in light of the will of the top position holders or determined by the result of the political rivalry for the highest positions. In either case there are no procedures.

Against the social background in which the people detest monarchy and support the republic, the distortion of the PRC political system as a "monarchy" is no different from setting it up as a target of revolution. Because a monarchy is not a republic it should of course be toppled. It would then be progressive and revolutionary, rather than reactionary and counterrevolutionary, to topple the monarchy. Through Yan's "demonstration," the toppling of the PRC seems to be a just cause.

Naturally, the argument that "China is not a republic" is the "theoretical foundation" created by Yan Jiaqi to topple the PRC. It is also an essential "theoretical foundation" he provided for the turmoil and counterrevolutionary rebellion.

#### The "Theory of Autocratic Political Structure" Is an Out-and-Out Distortion

Yan Jiaqi's argument that the "political structure of the PRC is autocratic" does not conform to facts.



First, the armed struggle led by the CPC was actually a peasant war. This thesis was made by Mao Zedong in a special sense meaning that the peasants were the main participants in the armed struggle, the rural areas were the bases of their advance, and their tasks to be accomplished included land revolution. Even if the armed struggle led by the CPC is considered a peasant war in this special sense, it could never lead to the establishment of a new dynasty because the historical environment of the peasant war was entirely different from the past. At the time when the peasant war took place, human society entered the stage in which machines were used in large-scale socialized production and capitalist production relations and commodity exchange increasingly expanded to all parts of the world, including mainland China. At that time, the peasant revolution could have been an ally to the bourgeois revolution or the proletarian revolution. Consequently, the peasant war could either lead to the establishment of a bourgeois or proletarian republic but it could never lead to the establishment of a feudal dynasty. Under the conditions of the increasing development of commodity exchange the peasants are spontaneously inclined to capitalism rather than feudalism. At this stage, feudal relations and ideas exist only as remnants or influence. They cannot occupy a predominant position nationwide nor do they have the power to create a new feudal dynasty. Thanks to CPC leadership, the peasant war exceeded its limitations and became a new democratic revolutionary war against feudalism. Through land reform it also eliminated the landlord class, the tenancy economy, and the class and economic foundations on which the feudal dynasty depended for its establishment. Following the new democratic revolution, China's socialist revolution paved the way for large-scale socialized production and the development of a commodity economy, further eradicating the possibility of the establishment of a monarchy. No one in history can distort this fact.

Second, the supreme powers of our country are not in the hands of one man. In the ruling party, the supreme powers are exercised by the national party congress. When the congress is not in session the powers are exercised by the CPC Central Committee and routine matters are handled by the CPC Central Committee Political Bureau. The party committee collectively decides on major issues. When adopting a decision, the minority is subordinate to the majority. The secretary who summons the party committee meeting has only one vote. The supreme powers of the state are exercised by the NPC. When the congress is not in session, the powers are exercised by the NPC Standing Committee.

In the ruling party in the past, certain leaders exerted great influence and even had the power of control over the supreme policy making group because their ability, experience, and reputation were superior to that of others. Powers were actually centralized in their hands. Such centralization of power never became a system. To put an end to centralization of power in actual operation, our party further strengthened and perfected the party

committee leadership system following the 3d Plenary Session of the 11th CPC Central Committee.

Third, the life-tenure system for top positions never existed in China. The highest posts in both the ruling party and organs of state power were actually elected. For various reasons, the changes in the posts of those assuming top positions were also common. It is true that certain leaders of the ruling party and organs of state power were reelected or reappointed for consecutive terms as they enjoyed popular confidence and that some even died at their posts. However, this has not become a life-tenure system. To put an end to the practice of lifelong tenure of office the 1982 constitution clearly stipulated that heads of state and government shall serve no more than two consecutive terms. With Comrade Deng Xiaoping taking the lead within the party, the proletarian revolutionaries of the elder generation withdrew from frontline leading posts on their own initiative. With practical action they solved the question of leaders (who enjoyed popular confidence) holding lifelong posts within the party.

Fourth, there are procedures for the transfer or succession to the highest positions in China. The procedures for the election, transfer, and operation of the highest state positions are prescribed in the constitution and the organizational law for state organs. The procedures for the election, transfer, and operation of the highest positions of the ruling party are clearly stipulated in the party constitution. Naturally, when the highest positions are elected or transferred, there are no strict procedures for the deliberations on selection of candidates and establishment of offices. Nevertheless, this is also the case in many countries and parties. If there must be strict procedures for the deliberations before and after the sessions, there would be no such "procedural politics" in the world. The changes in the original procedures made because of a change in the situation are also common in all kinds of procedures. Therefore, it is unreasonable to say that there are no procedures for the change and exercise of supreme powers in China under the pretext that there are different views focused on the election of the highest positions.

For historical reasons we cannot yet say that China's political structure is perfect. Hence, it needs to be restructured. As a matter of fact, we are now making efforts to restructure the political system step by step under party leadership. This reform is a self-perfection of the people's republic and rather a fundamental transformation of the so-called "autocratic political system." Yan Jiaqi calls China's political structure an autocratic political system and a monarchy. This is an out-and-out distortion of the PRC political structure.

#### **The Purpose Is To Establish a Bourgeois Political System**

Yan Jiaqi insisted that the PRC is a monarchy rather than a republic. Did he make this alarmist remark just for the sake of increasing his reputation? No. In his book

"State Political Structure" published long ago, he asserted that there are two different political structures, monarchy and republican, in a slaveowner state, landlord state, or bourgeois state. Since different class contents can exist in the two state forms, monarchy and republican, it is quite obvious that Yan Jiaqi talked volubly about monarchy and a republic in an attempt to evade the class nature of the state and give the bourgeois political system the green light under the banner of the political structure issue.

What actually does Yan's ideal political structure look like? Viewed from his speeches it has the following contents:

First, separation of three kinds of powers. That is the legislature, administration, and judiciary, which are equal and independent of each other and which condition each other. The United States is the most typical example in practicing the system. Yan actually wants to establish an American-style political system in China. By proposing separation of the three kinds of powers, Yan directly negated the system of a people's congress practiced in China. According to the people's congress system, the legislative organ, namely the NPC, is the highest organ of state power. The powers of the administrative and judicial organs cannot be independent of, or parallel with, or contend with, the powers of the legislative organ. Under China's current conditions, centralization of supreme powers, an effective organizational form of state organs explored by the Chinese people in the course of socialist construction, is conducive to maintaining the unity and efficiency of the state organs. In addition, Yan said that "the question of separating the functions of the party from the government should be solved before discussing the separation of three kinds of powers in China." His "separation of the functions of the party from the government" actually means removing the "party" from above the "government." In other words, remove leadership of the Communist Party over state organs. Hence, the prerequisite for the separation of three kinds of powers proposed by him is to remove party leadership.

Second, political pluralism. According to the report: "In Yan Jiaqi's understanding, political pluralism means that people are able to enjoy fully the freedom of association allowed by the law and they will have the freedom to establish various kinds of organizations in accordance with the law of association." The real intention of this theory, however, is to legitimize the "College Students Autonomous Federation," which took fomenting turmoil as its goal, and the "Democratic China Front" which attempted to topple the legal Chinese Government and to set the two against the Communist Party. Under China's present conditions, putting forward political pluralism is a tactic and a transitory slogan attempting to bring China under centralized bourgeois rule.

Third, to have a constitution which firmly protects private property. On November 1988 Yan Jiaqi suggested that "from now on the first and foremost question in China's political reform is the revision of the constitution in the 1990s with an 'explicit statement for firm protection of private property.'" Why did Yan Jiaqi insist on the right of private property? He said: "Only with the guarantee of property can there be freedom of speech, press, association, and so on. A revision of the Constitution will guarantee the existence of private property rights." But since socialist public ownership guarantees the freedom of speech, press, association, and so on of the proletarian class, then private ownership naturally guarantees the existence of the freedoms of speech, press, association, and so on of the bourgeois class.

The true and important function of the establishment of private ownership is the creation of conditions for the rise of a "middle class" in a socialist China. Yan Jiaqi and his cohorts knew that without a "middle class" (the middle class in their minds is actually a middle bourgeois class), the bourgeois political system they intended to establish would lack a firm, reliable, and stable class foundation. Even if they managed to establish this political system they would find it hard to secure their position. Said Yan Jiaqi's conspirator, Wan Runnan: "The rise of a middle class will lay the foundation for a democratic political system." They therefore had to consolidate the right of private property by embodying it in the Constitution.

The onslaught of private property rights would also provide an economic foundation for "elite politics." In the capitalist world an elite refers to people who are well-educated, have control of enterprises, social groups, and mass communications in their hands, and are therefore able to exert a powerful influence on personnel in the social life such as politicians and scholars. In general, only capitalists or their intellectuals are eligible for this body of elite. Those planners of the turmoil spoke of establishing "elite politics" in China. What they had in mind was to build a political system whose powers and decisionmaking process was in the hands of capitalists and intellectuals. According to their usage and practical references to the word "elite," the purpose of their "elite politics" was to replace the people's democratic dictatorship with that of the bourgeoisie.

Fourth, federalism. Yan Jiaqi advocated that Taiwan, Hong Kong, and mainland China should all only be states in a union with even Tibet also as a state. It is not hard to perceive the reason Yan Jiaqi advocated federalism. While apparently helpful in realizing the unification of Taiwan and the mainland, in reality it hid the evil attempt to split the People's Republic of China.

Given the fact that Yan Jiaqi's theory contains the above characteristics its real nature is of a bourgeois political system.

Since Yan Jiaqi asserted that the People's Republic of China is an empire instead of a republic, and since he



wanted to establish a bourgeois political system whose foremost mission was to maintain private ownership, then exactly how and when the present political power of People's Republic of China will be toppled remained, so far as Yan Jiaqi was concerned, a matter of method and time.

#### **"Nibbling" and "Transformation" Under the Banner of Reform**

In the past decade, Yan Jiaqi was appreciated, promoted, and protected by the powerful person who supported bourgeois liberalization within the party. His main method to subvert the PRC was to make use of reform under the name of striving for democracy to nibble and transform the socialist political system of the people's democratic dictatorship.

Since Yan Jiaqi "entered the kingdom of political science," especially since he took charge of the work of the Political Science Institute of the Chinese Academy of Social Sciences (to July 1988), he has been peddling the political ideas of the Western bourgeoisie in an organized and planned way. When we were correcting the deviation of substituting the general theories of Marxism for political science, a roundabout course we had taken in the previous stage, and making efforts to restore the position of political science as an independent science, he made use of this opportunity and guided the study on this subject to another direction, that is, to discard Marxism and establish other theories. We can see from the Western political science he has introduced and quoted that he is actually holding that there is not much political science in Marxism and that only from the Western bourgeoisie can we learn real political science. He repeatedly advocated that Western politics and culture are "the common culture of human beings, not to be restricted by national boundaries and nationality bounds," trying to make others boldly accept bourgeois politics and culture. Under his influence, some people became activists in advocating a bourgeois political system, and some even became activists in the turmoil.

In recent years, Yan Jiaqi made use of the opportunity of political structural reform to peddle the bourgeois political system to the policy-making organs of our party and state. On the other hand, he made use of the media to propagate bourgeois political theories. He has made long-term ideological preparations for practicing Western political systems in China.

Meanwhile, he visited some Western countries in order to learn from their experiences. As he had adopted an attitude of negating China's existing political system and admiring bourgeois democracy and had tried hard to peddle bourgeois political ideas in China, as he was much appreciated by Comrade Zhao Ziyang's secretary Bao Tong and had joined the work of the Research Group of the CPC Central Committee for Reform of the Political Structure, and as he was able to affect the policy making of the central authorities through his relations with Bao Tong, he became quite appealing to the United

States and other capitalist powers. With a tacit understanding between both sides, he became a pawn of the United States in carrying out the strategy of peaceful evolution in socialist China and their agent in China's ideological circles. Flattered by some people at home and abroad, Yan Jiaqi then became an "authoritative person in theories on reform of the political structure," "a scholar daring to throw 'bombs,'" "the elite of the political field," "a democratic fighter," and "a famous person of the contemporary world." He thus became a celebrity for a time.

#### **Seize Political Power Through Turmoil and Riot**

It is natural that Yan Jiaqi was resisted and criticized by the Marxists in our party when he was advocating bourgeois political ideas and peddling the bourgeois political system. But as he was protected by Bao Tong and others, he was able to get out of trouble. In the second half of 1988, when China's economy encountered some difficulties, Comrade Zhao Ziyang's mistakes were exposed to a certain extent and more people within the party were discontented with Comrade Zhao Ziyang. Seeing that Comrade Zhao Ziyang's position was not firm enough, Yan Jiaqi felt there was a sense of crisis and was afraid that his so-called reform scheme would enjoy no support from and would not be protected by the powerful persons of the party and government leading policy-making organs. In November 1988 he said that "there is a trend of non-procedural power change in China," therefore, "China is now in a crisis." After that, Yan Jiaqi changed his tactics and, together with other "elite of society," tried to risk everything on a single venture, that is, to attain the goal they were unable to attain in a stable environment through instigating turmoil.

As most people already know what Yan Jiaqi said and did before and during the turmoil, we will not go into such details in this article but would like to give the following points:

1. Before and during the turmoil, what Yan Jiaqi did did not match what he said. Before the turmoil took place, he said we should not "turn the difficulties or certain mistakes into an excuse for a power struggle" and should not "follow the same old disastrous road of the Cultural Revolution." However, when the turmoil participants were making use of the difficulties of the state and certain mistakes to force our party and state leaders to hand over their power and were "following the same old disastrous road of the Cultural Revolution" by putting up big-character posters, organizing processions and demonstrations, and establishing illegal organizations, Yan Jiaqi hailed them and actively participated in their activities. Before the turmoil took place, Yan Jiaqi said that "democratic politics" was "procedural politics" and "responsibility politics." But during the turmoil, the participants said they were mourning for Hu Yaobang one moment and said they wanted a dialogue with central leaders the next; they tried to break into Xinhua Gate one moment and held illegal processions and illegally occupied Tiananmen Square the next. There were no procedures at all in all these actions and changes.

The turmoil participants created rumors, obstructed traffic, and undermined social order. After they had instigated the masses who did not know the true situation, they said they were unable to control the situation. What they did had nothing to do with responsibility. Thus, even when their actions were judged by Yan Jiaqi's two criteria of "democratic politics," they also had nothing to do with the "democratic politics." Yet Yan Jiaqi called their non-procedural and irresponsible actions "democratic actions." From this we can see that what Yan Jiaqi was pursuing was by no means true democracy and that "democracy" was but a signboard for him in the attempt to subvert the legal government through turmoil.

2. Yan Jiaqi made use of Comrade Zhao Ziyang's remarks which placed the responsibility on Comrade Deng Xiaoping, and openly advocated his viewpoint that China was under the rule of the autocratic system. Through the "17 May Declaration," he announced that the Chinese Government "is not the government of our republic but a government under a dictator." This government "is irresponsible and inhuman." For this reason, people should rise to "bury autocracy and monarchy." This was an out-and-out mobilization order to the participants in the turmoil for subverting the PRC.

3. Yan Jiaqi called for overthrowing Comrade Deng Xiaoping, Comrade Yang Shangkun, and Comrade Li Peng. He was not directed against the three comrades individually but against the Communist Party as a whole. During the last 10 days of May, Yan Jiaqi told a Hong Kong reporter: "A party in power is a party to organize the government. If it is not trusted by the people, it cannot become a party in power. Now the CPC is faced with a great crisis," that is, it is not trusted by the "people." Therefore, it cannot be in power. He thus clearly expressed his intentions.

4. Yan Jiaqi and others understood that at the critical moment of fighting against the Communist Party and the people's government, the masses, who had been deceived by them, would not be reliable. The most reliable people were those criminals who had a deep hatred for the party and the people's government and those scoundrels and hooligans who had not been well transformed although they had been released upon completion of their sentences. In order to continue to deceive people with their mask of "reason, peace, and non-violence," the "elite of society" needed some other people to do something for them. Thus, prompted by their common interests and common goals, both the "elite" and the dregs of society joined hands with each other. They then established the so-called "joint meeting of various circles in the capital" and "headquarters on Tiananmen Square." Through its loudspeakers, the "headquarters" shouted: "The workers and city residents can hit out, but the students should not. Do not stop the city residents (from hitting out) if you want to protect the students." This obviously reflected their tactics and division of work. Despite this division of

work, the "Beijing College Students Autonomous Federation" and the "Workers Autonomous Federation" still distributed daggers and iron sticks among the students and workers and taught them how to make and use incendiary bottles to burn military vehicles. They themselves had still engaged in beating, smashing, looting, burning, and killing. The "reason, peace, and non-violence" flaunted by Yan Jiaqi and others were but a pack of lies to deceive the people.

5. Yan Jiaqi held that if blood conflicts occurred, this would be favorable to the subversion of the Chinese Government and the socialist system and to the realization of American-style democracy. In late May, he said: "If the authorities use violence against the masses who have raised their demands, they will collapse more thoroughly and China's democratic politics will be more hopeful." The same idea was also uttered by the turmoil creators in Tiananmen Square. They said: "We do not fear the authorities' suppression, and we only fear that the authorities do not suppress us." Guided by this idea, they erected an American-style "goddess" statue in Tiananmen Square to enrage the people throughout the country, and provoked bloody conflicts through damaging vehicles, putting up barricades, encircling and holding back the martial law troops, and taking other riotous actions. We can say that the bloody conflicts were deliberately provoked by such "elites" and dregs as Yan Jiaqi.

Yan Jiaqi was clearly aware of the nature of his words and deeds. He fled the country in panic because he knew what grave crimes he had committed and he knew that he would be tried and punished by the people. In fact, Yan Jiaqi had prepared his escape to the capitalist world long ago. When he called on other people to use their blood and lives to establish "democracy" and pushed students and citizens to the forefront of bloody conflicts, he did not plan to sacrifice his own blood and life; he did not even plan to bear the responsibility for the consequences of his own behavior. When those who trusted and followed Yan Jiaqi and regarded him as "elite" were paying a high cost for being a cat's paw, Yan Jiaqi had slinked off to seek asylum in a foreign country.

#### The Socialist PRC Can Never Be Subverted

After Yan Jiaqi escaped to overseas, he grew flustered and exasperated. He seethed with hatred and frenziedly vilified the CPC, the PRC, the socialist system, and the leaders of the CPC. He denounced the CPC as an "autocratic dictatorship," denounced the PRC as an "empire" and an "autocratic dynasty," denounced socialism as "super-fascism," and denounced the CPC leader as an "emperor without the title of emperor." He hysterically gave vent to his inveterate hatred of the CPC, the Chinese Government, and the Chinese people.

He fabricated many rumors, describing the thugs who used stones, steel rods, rifles, and incendiary bombs to attack, burn, and kill soldiers and policemen as "bare-handed and peacefully petitioning" people who "tried to

prevent the troops from entering the city in a peaceful way." He described the forcible but restrained measures taken by the martial law troops to enter the city as a "massacre of unparalleled savagery" and as the "blood-bath of Tiananmen Square." He pretended to be serious in clamoring that the struggle will be carried on "in a rational, peaceful, and non-violent way as usual." Meanwhile, he did not mention at all how the rioters violated the laws in China, and how they committed such crimes as beating, looting, burning, and killing. Yan Jiaqi believed that as long as they kept repeating the same words to misrepresent the facts and stand facts on their head, the people in the world would support their action of opposing the CPC, opposing the Chinese Government, and opposing the Chinese people. He did not know that the sympathy they earned with rumors would not last long.

Yan Jiaqi went everywhere to clamor that the Chinese Government "had lost all of its legitimacy at home and abroad." He and his cohorts implored foreign governments to condemn and impose economic sanctions against China and even implored foreign countries to stop all economic, political, and cultural contacts with China. This action thoroughly tore off their hypocritical "patriotic" disguises and laid bare their real features as traitors. Yan Jiaqi thought that without foreign pressure, we would not dare to carry out the struggle to quell the counterrevolutionary rebellion throughout to the end. This was merely his wishful thinking.

Yan Jiaqi always kept in mind his aim of subverting the People's Republic. He said: They will "stir up a hurricane with unparalleled power that sweeps across China" so as to "thoroughly destroy" the CPC and the people's state. When he returns home with honor, he will "openly try" the party and government leaders in China and will "reestablish the statue of the democracy goddess" in Tiananmen Square. In the past, when he was criticized by other people, he would hastily defend himself and say that other people had distorted what he meant. He used to overestimate his own ability. Now, he said with arrogance that through the Voice of America and other propaganda channels, the people at home can still hear "our voice." "Even in an unorganized condition, we can still cause serious problems inside China." He even announced presumptuously that before his reactionary cause succeeds, "there will be no national celebration day but only national mourning day in China."

Not long after his escape, Yan Jiaqi began to organize the anti-revolutionary "China Democratic Front" in an attempt to overthrow China. They imagined that "when they are back in China again, they will have formed a party which will contend with the Communist Party." This organization has regarded Taiwan as an integral party in their struggle for democracy. Wan Runnan, secretary of its preparatory group, said that "the base of China's democratic politics can only be built in Taiwan." In response to this statement, Yan Jiaqi has likened the subversion of the socialist system in China to

"the burial of another dynasty since the 1911 revolution," implying that neither the Beiyang government nor the Kuomintang government were dynastic governments. He thus negated his previous statement that "Chiang Kai-shek's government was a new autocratic dynasty with the color of colonialism," and curried favor with the Taiwan authorities. Yan Jiaqi's plan was: First, overthrow the present PRC government. Second, fight for the legal status for such counterrevolutionary bodies as "the Democratic Front" and for the bourgeois-style freedom of the press. Third, revise or rewrite the constitution all over again. Fourth, reunify China under the federal system.

To strengthen the confidence of their overseas anti-communist and anti-Chinese accomplices in their reactionary cause, Yan Jiaqi also made some so-called forecasts about China's situation. He held that China's "economic difficulties are insurmountable," and the Chinese economy will crumble very soon (Wan Runnan said this will happen within this year.) The Chinese people hated the CPC "more deeply than they hated the Japanese during the war." Therefore, Premier Li Peng will step down very soon. "The entire mansion of the PRC will fall to pieces in an instant." These so-called forecasts are merely nonsense.

Staying abroad and relying on the support of foreign reactionary forces, Yan Jiaqi has said what he did not dare to say in China. This is very good. It enables us to see clearly what those who stubbornly uphold bourgeois liberalization would do if they had favorable conditions. It reminds us that the political struggle between the bourgeoisie and the proletariat not only exists but has also developed to a stern degree. Sometimes it is of a life-and-death nature.

What Yan Jiaqi is doing overseas with the intention to overthrow the PRC is the old deal that the imperialists and overseas reactionary forces have been carrying out for some 40 years. They were never successful in this deal in the past 40 years, and neither will Yan Jiaqi be successful.

The socialist PRC can withstand any attack and will never be subverted.

**Li Ruihuan, Li Tieying at Propaganda Meeting**  
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[Text] Beijing, 20 Sep (XINHUA)—Li Ruihuan, member of the Standing Committee of the Political Bureau of the CPC Central Committee, held a discussion with responsible persons of the propaganda and publishing departments of various provinces, autonomous regions, and municipalities at Zhongnanhai this morning. The department heads were in Beijing attending a national conference on rectifying and cutting down newspapers, magazines, and publishing houses



sponsored by the Propaganda Department of the CPC Central Committee and the Press and Publications Administration. Li Ruihuan pointed out during the discussion: Rectifying and cutting down newspapers, magazines, and publishing houses is an important part of the struggle against bourgeois liberalization. The job should be done resolutely and successfully. At the same time, it is necessary to combine the rectification and curtailment of newspapers, magazines, and publishing houses with the promotion and development of publishing and journalism.

Li Tieying, member of the Political Bureau of the CPC Central Committee and State Councillor, was present at the discussion meeting. Wang Renzhi, head of the Propaganda Department of the CPC Central Committee, presided over the meeting.

The meeting began with a briefing given by Song Muwen, director of the Press and Publications Administration, on the arrangements for rectifying and cutting down newspapers, magazines, and publishing houses. He said: The present rectification and curtailment of newspapers, magazines, and publishing houses are mainly for the purpose of solving two conspicuous problems. First, publications with the serious political mistake of advocating bourgeois liberalization and publications advocating obscenity, violence, or feudal superstition will be firmly rectified and cut down and their publishers' business licenses will be revoked. Second, the problems of excessive development of newspapers, magazines, and publishing houses and an excess of poor quality publications should be solved.

Li Tieying pointed out at the meeting: The current work of rectifying and screening the cultural market should be regarded as a work to combat bourgeois infiltration, evolution, and corruption. Party and government departments at various levels must improve the management of the cultural market and deem it a long-range and important task. An important job at present is to rectify existing newspapers, magazines, and publishing houses and improve their management; it is not to found new newspapers, magazines, and publishing houses.

Appraising press and publishing work, Li Ruihuan pointed out: In the last 10 years of reform and opening to the outside world, the press and publishing front has made great achievements, as have other fronts. We should fully affirm that many comrades on this front have done a great deal of painstaking work in publicizing the party's principles and policies, invigorating the cultural market, and enriching the people's cultural life. At the same time, we must also see that our overlooking ideological and political work and our inconsistency in upholding the four cardinal principles in recent years have caused a rampancy of bourgeois liberalism. Indeed, there are a number of harmful books that openly oppose the four cardinal principles and poison the minds of youngsters. It is imperative for us to solve the problem.

Our comrades on the press and publishing front, particularly leading comrades of the press and publishing houses, must pay sufficient attention to the seriousness and danger of the problem.

Li Ruihuan pointed out: Newspapers, magazines, and publishing houses must be rectified and cut down resolutely. The key to success in the work lies in the determination of leaders. If a journal or publishing house should be closed down, we must close it down; we should resolutely ignore interceders and should not be soft-hearted. We must make great efforts to rectify press and publishing personnel, particularly leading members of news media and publishing houses. We should organize editors and reporters to study seriously Marxism-Leninism-Mao Zedong Thought and enhance the theoretical knowledge of press and publishing personnel. Of course, we should be prudent in handling personnel affairs.

Li Ruihuan emphasized: It is necessary to rectify and cut down newspapers, magazines, and publishing houses and to promote the development and prosperity of the press and publishing work at the same time. The aim of the campaign is not to make newspapers and other publications dull. We should readjust the economic policy for the publishing industry and clearly point out what we encourage and advocate. We should use economic means to encourage and support healthy and beneficial publications and should not let publishers of good books suffer economic loss.

#### News Conference Outlines Art Festival

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[By reporter Qin Jie (4440 2638); "Local Broadcast News Service"]

[Text] Beijing, 12 Sep (XINHUA)—More than 5,000 Chinese and foreign artists will gather together in Beijing and stage more than 60 performances during the second Chinese Art Festival. The scale of this art festival will be larger than that of the last one. This was revealed by Ying Ruocheng, vice minister of culture, at a news conference held today. The conference was attended by both Chinese and foreign reporters.

As the vice chairman of the committee for the organization of the art festival, Ying Ruocheng described how this art festival is being prepared. He said: China's outstanding achievements in recent years in art creations and performances will be shown at this art festival. The performances will show how young artists have rapidly grown under the guidance of the artists of the older generation and reflect the positive achievements in reforming literature and art as well as the vigorous development of mass cultural activities.

It is reported that this art festival has the following special features.

1. Substantial contents and large scale. There will be various artistic forms, schools, and styles including the major forms of China's performing arts.
2. A galaxy of famous performing artists and new artists of talent coming forth in large number. Most of the famous artists and promising young artists in the country will perform. The oldest artist Luo Yusheng is 76 years old, while the youngest acrobatic artist is only 6. Artists of four different generations perform in the same hall.
3. More mass artistic activities. The folk art performances by artists of different nationalities will make the festival even more colorful and lively.
4. More foreign performing troupes. There will be more than 10 foreign troupes performing during the festival including the world famous Soviet state ballet troupe.
5. There will be individual art troupes playing popular music and reflecting achievements in literary and art reform and the policy of letting a hundred flowers blossom and a hundred schools of thought contend.

Party and state leaders attach great importance to this art festival. Yang Shangkun, Li Peng, Li Xiannian and Li Tieying wrote inscriptions for the festival. Honorary Chairman Wan Li and Chairman Li Tieying of the art festival also heard a report on how the festival is being prepared and delivered speeches. Wan Li pointed out that only by developing socialist literature and art, will it be possible to resist the evil ideas of capitalism and to thoroughly fight pornography.

A stage will be set up in Beijing for the art festival. A total of 12 branch stages will be set up in various localities throughout the country from 1 August to November. The 7th national fine arts exhibition and the folk arts exhibition of minority nationalities in Inner Mongolia and Gansu are also considered part of the art festival activities.

The art festival has aroused attention at home and abroad, since the art festival will be held at a time when the whole nation will be celebrating the 40th anniversary of the founding of the nation. At the same time, it will be the first large literary and art gathering after quelling the riot in Beijing. Gao Zhanxiang and Ying Ruocheng also answered questions raised by both Chinese and foreign reporters at today's news conference. They pointed out: This art festival will use facts to clear up the doubts of some people as to whether or not China will continue to advocate the "double-hundred" policy in literature and art and show China's strong lineup in literature and art.

#### Li Peng Signs Decree on Railway Regulations

HK1209005389 Beijing RENMIN RIBAO in Chinese  
3 Sep 89 p 6

[Text] PRC State Council Decree No 39:

The 43th general meeting of the State Council passed on 3 August 1989 the "Regulations on Safety and Protection of Railway Transportation," which is hereby announced and implemented. [Signed] Li Peng, premier, 15 August 1989

#### Article Views 'Grasping With Two Hands'

HK1309033989 Beijing RENMIN RIBAO in Chinese  
2 Sep 89 p 4

[Article by Xing Chongzhi (6717 1504 2535), secretary of the Hebei Provincial CPC Committee: "Persist in 'Grasping With Two Hands'"]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, Comrade Deng Xiaoping has repeatedly put forward the principle of "grasping with two hands," calling on people to grasp economic construction, reform, and opening up with one hand and to grasp ideological and political work, crack down hard on economic crimes, and fight corruption with the other. That is to say, while firmly grasping the building of socialist material civilization, we should firmly grasp the building of socialist spiritual civilization. On no account should we attend to one thing and lose sight of another, nor should we firmly grasp one thing but loosely grasp another. Through practice we have come to realize that whether or not we persist in "grasping with two hands" has a bearing on the success or failure of the socialist undertaking. Therefore, this is an extremely important guiding principle which we should observe for a long time to come.

Upholding the principle of "grasping with two hands" is the necessary requirement of "one center, two basic points" in the party's basic line. In the initial stage of socialism as a whole, we should take economic construction as the key link. Not only should we uphold the four cardinal principles, which serve as the foundation of our state, but we should also take the road of reform and opening up to turn China into a powerful country. This is the basic guarantee to build socialism with Chinese characteristics. Facts show that, in implementing the party's basic line, especially in flexibly integrating the two basic points in practice, we should pay constant attention to overcoming two tendencies. The first is to employ the opportunity of developing the commodity economy and advancing reform and opening up to negate party leadership and the socialist system, practice bourgeois liberalization, such as abusing one's power for personal gain, bartering power for money, being guilty of corruption, and taking bribes, and engage in serious corruption; the other is to attribute bourgeois liberalization and corrupt behavior to reform and opening up and adopt a skeptical and vacillating attitude toward reform and opening up. If the two tendencies are not overcome, the party's basic line cannot be implemented in an all-around way, the socialist enthusiasm latent among the masses cannot be satisfactorily brought into play, various contradictions in the party and society will probably sharpen instead of being solved, and the socialist modernization program will go astray. The most effective method to overcome these two contradictions is to uphold the principle of "grasping with two hands."

How should we implement the principle of "grasping with two hands" in practical work? Judging by the

conditions in Hebei, first, it is necessary to straighten out the guiding thought of leaders at all levels. Experience has proven that, after the focus of the party work is shifted to the socialist modernization program, the phenomena of purely grasping economic work at the expense of building spiritual civilization and conducting ideological and political work tend to emerge among some comrades. To counter this tendency, both at relevant meetings and during the training of cadres, we have repeatedly pointed out the one-sidedness and harmfulness of this view and practice, stressing that the relationship between the building of the two civilizations should be understood and grasped in an all-around and dialectical way. We should not separate them, still less should we set one against another. Like the two wheels of a car and the two wings of a bird, they complement each other and run parallel to each other. This is the reflection and requirement of the basic nature of socialism. If the guiding thought is correct, we shall be able to overcome one-sidedness and attain good results.

Second, when planning, inspecting, and summing up work, we should pay attention to reflecting the principle of "grasping with two hands." Over the past few years, the provincial party committee has put forward definite tasks and measures for building the two civilizations. While stressing the fulfillment of various economic tasks, the provincial party committee has made unified arrangements for various tasks, such as stepping up theoretical study by cadres, rectifying office work style, strengthening party building, carrying out activities to build civilized units, advocating clean government, and fighting corruption. After making policy decisions and drawing up plans, we should also pay constant attention to inspection and summation and do a good job of tracking and feedback.

Although our arrangements and plans are fairly systematic and comprehensive, due to various subjective and objective factors, there may be deviations in the course of their implementation. An important link in implementing the principle of "grasping with two hands" is to watch out for problems in work and take prompt measures to resolve them. If we turn a blind eye to the deviations, shilly-shally, or take no actions, it will probably lead to greater problems.

Third, we should rely on necessary systems to restrict the conduct of leaders and overcome arbitrariness in their guidance of work. The responsibility system of management by objectives, which is instituted in party organs in an all-around way, assesses the building of both material and spiritual civilizations, as well as honesty in performing official business and achievements. To turn the "intangible" task of building spiritual civilization into a "tangible" quota, party committees and governments in many localities have treated party building, the building of civilized units, and social order in the same way as they do the building of material civilization, striving to achieve datamation, and conducting inspection and

assessment accordingly. This impels responsible comrades at all levels to consciously grasp the building of two civilizations and attain achievements in both fields.

Upholding the principle of "grasping with two hands" does not in any way mean that we do not want a focal point or that we should exert our efforts evenly in all work. In economic work, party committees at all levels should primarily grasp the implementation of major party and state principles and policies and the study and formulation of economic development strategy, economic restructuring, and long-term planning, as well as the solution of major issues in economic development. As for routine economic activities, they should be handled by the government. Party committees should concentrate more efforts on grasping party building and ideological and political work. At present, our urgent task is to grasp two important tasks, namely, the struggle against bourgeois liberalization and punishment of corruption, and vigorously promoting party building. To this end, since the beginning of this year, we have grasped the building of clean government in organs directly under the provincial authorities. Meanwhile, we have vigorously spread Xingtai Prefecture's experience in building a clean government and Gaocheng County's experience in practicing "two make-publics and one supervision," namely, making public the system of handling affairs, making public the results of handling affairs, and mobilizing the masses to exercise supervision, dealt with a large number of important cases, and meted out punishments to many corrupt practices. We have also decided to hold a study class soon, which is to be attended by the secretaries of the prefectural, city, and county party committees, to penetratingly study Comrade Deng Xiaoping's "Expositions on Upholding the Four Cardinal Principles and Opposing Bourgeois Liberalization" and relevant important speeches, to review and sum up our practical experience, and to study the question of how to advance the struggle against bourgeois liberalization. We realize that only by persisting in "grasping with two hands" and paying attention to grasping the focal points in the work of the party committee is it possible to adroitly guide our actions according to circumstances and constantly push forward the building of two civilizations.

#### Article Urges Increased Ideological Work

HK1609010889 Beijing GONGREN RIBAO in Chinese  
28 Aug 89 p 1

[Article by Zhang Yushu (1728 3768 2579): "It Is Necessary To Do Solid Work in Strengthening Ideological and Political Work—Also Commenting on Comrade Zhao Ziyang's Mistake of Neglecting Ideological and Political Work"]

[Text] Editor's note: The author of this article is director of the Political Department of the Hebei Provincial Planning Committee and deputy director of the Hebei Provincial Workers Ideological and Political Work Research Institute. In July last year, he wrote a letter to



Comrade Zhao Ziyang, then general secretary of the CPC Central Committee, criticizing the latter for neglecting ideological and political work. However, this letter did not receive due attention, just like a stone dropped into the sea. We believe that his article carried in our paper today will help our readers broaden their way of thinking, distinguish right from wrong, and conscientiously draw historical lessons from the spread of bourgeois liberalization, so that they may adhere to the four cardinal principles better while doing a good job of reform and opening up. [... and editor's note]

How do we make a faithful and objective appraisal on the ideological and political work in enterprises over the past few years? This has been a question under dispute. In July 1988, the Propaganda Department and the China Workers Ideological and Political Work Research Institute held in Daqing a forum on propaganda and ideological work and a joint meeting of responsible persons of the research institutes in "northwest, north, and northeast China" areas. At the meetings, there were heated discussions over the question of whether ideological and political work had been weakened or strengthened in enterprises. Based on an investigation of 120 enterprises, the Hebei Provincial Ideological and Political Work Research Institute held that ideological and political work had been strengthened only in a small number of enterprises which were doing well at that time, but had been weakened in most enterprises. It also held that the weakening of ideological and political work could be seen at the grass-roots units, but the reason was in the leadership, in certain leaders of the CPC Central Committee, especially Comrade Zhao Ziyang. At the meeting, I delivered a report on the weakening of ideological and political work in most enterprises and wrote an open letter to Comrade Zhao Ziyang. In that letter I said that Comrade Zhao Ziyang had personally grasped the economic structural reform and investigation and study in the field of economic construction and had put forth guiding ideas since he became general secretary of our party. All this was correct. However, he had neglected party building, the building of spiritual civilization, and ideological and political work, which were the weak links of our work demanding prompt strengthening. I hoped that greater attention would be paid to these fields in the future. What I said and my open letter met with general approval at the meeting. Many comrades even wanted to send a joint letter to the central authorities. In view of Comrade Zhao Ziyang's proposal on "reforming" ideological and political work, many participants offered their different opinions. One of them said angrily: "Reforming" ideological and political work can only result in making the confused ideas more confused, the weakened ideological and political work further weakened, and the declined position of ideological and political work even lower. However, my open letter was just like a stone dropped into the sea. Now I realize that this is natural. Comrade Zhao Ziyang had even refused to follow the instructions and advice of Deng Xiaoping and other proletarian revolutionaries of the older generation, not to mention me, a nobody.

The mistakes of Comrade Zhao Ziyang and the spreading of the ideological trend of bourgeois liberalization have brought about great damage to ideological and political work in enterprises. The following are some major expressions:

—As a result of neglecting party building and ideological and political work, especially neglecting the ideological education on adhering to the four cardinal principles, many workers have lost their spiritual momentum and prop. Some have even doubted the correctness of party leadership and the socialist road. According to an investigation carried out by the Industrial Committee directly under the Shijiazhuang Prefectural Administration on 3,000 workers in more than 20 units, there is only one worker who has been conscientiously studying the knowledge about the party and the basic theories of Marxism-Leninism over the past few years. A common phenomenon is that both cadres and workers are "lacking mental or spiritual ballast and lofty ideals," "feeling tired of ideological education," and "unwilling to take part in the study of political theories." Especially, in recent years, as the theoretical circles were "renewing the understanding" of socialism and capitalism without correct theoretical guidance, many people began to feel that socialism was not superior to capitalism and the leadership of the Communist Party was not superior to multipartism and multiple leadership. There were many confused ideas in the people's minds.

—As a result of emphasizing "running factory by capable people" and "running factory by the elite," party leadership and ideological and political work have been weakened in enterprises. The party committee only plays the role of guarantee and supervision, but it is also difficult for it to play such role. Many party cadres in enterprises hold that over the past few years, as Comrade Zhao Ziyang has only emphasized the legal person position of plant directors and their important position and responsibilities in enterprises to the neglect of the position and role of the party organization, the ideas of "transformation," "supervision," and "guarantee" have become obscure. Some comrades said that at the beginning of reform, the leading role of the party committee in the ideological and political fields was still mentioned, but later it gradually disappeared. Affected by the idea regarding ideological and political work as a "concurrent post" or a "part-time job," large numbers of party committee secretaries have become concurrently deputy plant director in charge of ideological and political work and the number of political work organs and political work cadres has been greatly reduced. For example, a certain company had 18 political work cadres in the past, but now there are only 9 left and, as 3 of them are weak, sick, or aged persons, only 6 of them are able to work normally. The vast number of political work cadres asked: When we want to strengthen public security, procuratorate, judicial, supervision, auditing, and tax revenue work, we usually start with perfecting organizations, but why is it

necessary to reduce the number of political work organs and cadres when we emphasize ideological and political work and say that this work has been "strengthened?" Particularly, some practical problems of the political work cadres, such as the problem concerning the title of their posts, have remained unsolved for a long time. As a result, many political work cadres have demanded a change in their work and a transfer to other posts, and they do not have successors either. Quite a few comrades working in grass-roots units hoped that the general secretary could say something fair, but they did not succeed. Helping the plant directors "solve their difficulties" was emphasized everywhere, but the difficulties of party secretaries and the party's work were neglected. This is obviously a mistake.

—As transformation of ideological and political work was emphasized some time ago, the confused situation among the ranks of political work cadres became more confused and the already weakened ideological and political work was further weakened. What does the transformation mean? It means a fundamental change in ideological and political work by substituting the old with the new. By transforming ideological and political work, our work in the past and the party's fine traditions and styles were entirely negated. Thus, the spirit of Lei Feng was no longer mentioned, the spirit of serving the people was discarded, and the style of hard working became outdated.... In this way, ideological and political work was thoroughly changed and discarded. Many people said: "Ideal means profit, and future means money." This was, to a certain extent, a result of the "transformation."

—The theory that "corruption is hard to avoid" had encouraged the spreading of corruption and other unhealthy tendencies. Some people regarded the theory on the "initial stage" as an umbrella for the degenerates and other lawless elements. Comrade Zhao Ziyang advocated high consumption and stimulating production by consumption. This does not conform to our national situation. Moreover, as the good tradition of pioneering a great cause independently and through arduous effort was discarded, some people became tired of political study and were blindly pursuing money and benefits. Some people who were responsible for organizing party and league activities also often bargained over their pay. In some enterprises, the number of people demanding to join the party or the league was greatly decreased.

—The "liberalization" in the press, theoretical, and cultural circles have brought about negative influences on the ideological and political work in enterprises. Some media have played down the roles of political work organs and cadres. It seemed to them that political work cadres did not do anything good in the past and are obstacles to reform at present. Provided the number of political work organs and personnel is reduced, production would certainly be boosted and economic returns would certainly be increased. The

spiritual pollution by pornographic and violence culture has seriously corroded the young workers. The workers were receiving more negative education in society than positive education in enterprise.

There were profound social and ideological roots of the spreading of bourgeois liberalization and Comrade Zhao Ziyang's serious mistakes of supporting turmoil and splitting up the party. It is a common task of all party comrades to conscientiously sum up the experiences and lessons and to effectively strengthen ideological and political work.

First, the reason why ideological and political work has not been really strengthened for so many years although it was repeatedly emphasized is that the problems in the people's understanding have not been solved. People always think that production is a hard task and must be grasped firmly, but ideological education is a soft task, which is not so important if they do not grasp it well. Our lessons written in blood tell us that the invisible weakening of ideological education will result in visible losses. Ideological and political work should be effectively strengthened. The phenomenon of "verbally emphasizing the importance of this work but attaching less importance to it in practice and throwing it away when we are busy" should not be allowed to continue to exist.

Second, we have done some education work over the past few years, but have failed to firmly grasp the education on adhering to the four cardinal principles, which is the most fundamental task in education. In particular, we have not made the adherence to the party leadership and the socialist road, which is the core of our education, deeply rooted in the people's hearts. As a result, many people are unable to resist the corrosive influence of bourgeois liberalization. In the future, it is necessary to carry out the long-term education on adhering to the Four Cardinal Principles so as to ensure a correct political orientation of our reform and opening up and the construction of the four modernizations.

Third, all Communist Party members, especially the leading cadres of the party, must take good care of and protect young workers and students, just as they take good care of and protect their own eyes. They must set strict demands on them and enthusiastically help them. Anyone who gives up his duty in this respect will surely commit great historical mistakes.

Fourth, plant directors must continue to give play to their central role in enterprises, especially in production management and operation. The party organizations in enterprises must give play to their leading role in ideological and political work. The trade unions must give play to their role in promoting democratic management of the enterprises. All comrades must understand that an enterprise is an economic organization but is not purely an economic organization. It must produce both good



quality products and outstanding personnel. The enterprises can be run well only when the party, administrative, trade union, and league organizations have all performed their duties well around the center of production and construction.

Fifth, to suit the needs of strengthening party building and ideological and political work in the new period, it is necessary to establish a contingent of outstanding, authoritative, and professional political work cadres. It is necessary to reasonably solve the problems concerning the setting up of political work organs and the establishment of political work personnel and the problems concerning the position titles of political work cadres. The vast number of political work cadres must further display the spirit of self-esteem, self-confidence, and self-improvement, meet difficulties head-on, and try all possible means to do their work well.

#### Article Outlines Party School's Main Tasks

HK1609020489 Beijing RENMIN RIBAO in Chinese  
8 Sep 89 p 6

[Article by Xing Benshi (6717 6321 1835): "Arming Party Members and Cadres With Marxism Is a Strategic Task of the Party"]

[Text] Between spring and summer in 1989, a serious political storm occurred in China, and the Chinese Communists underwent a stern test in the fierce struggle. Through the baptism of fire and blood, we have more clearly realized the truth: In China, it is of top importance to adhere to the four cardinal principles, to maintain the Marxist ideological and theoretical position, and to arm the whole party, especially party cadres, with Marxism! This was a lesson we learned by paying the price of blood. It should be applied to our party's ideological and political work in the future, and also be applied to the party's ideological and theoretical education, including party school education.

For many years, there existed a controversial question concerning the teaching principle in party schools: What should be main subjects in a party school? The basic theory of Marxism or various branches of knowledge? Or should they be studied on a half-and-half basis? This is related to another question: What should be the main task for a party school? Should the party school mainly raise the political and theoretical attainments of the party cadres or mainly impart some professional knowledge to the party cadre? Of course, the enhancement of party cadres' political and theoretical attainments cannot be completely separated from the imparting of knowledge. That is, the lectures about the basic theory of Marxism should include certain general knowledge, and courses about general knowledge should also be given by the party school apart from the course about Marxist theory. However, the main task of the party school should be to raise the political and theoretical attainments of party cadres. This point must be clearly affirmed.

Some comrades say: Our senior cadres have all studied the basic theory of Marxism, but they lack knowledge about modernization and hope to learn more about modernization so as to step on a higher stage in their educational level, and this is their ardent desire. I can't say that this opinion is wrong, but it is somewhat one-sided. A senior party cadre certainly should grasp some knowledge about modernization. This will broaden his vision and raise his work ability. However, it is more necessary for senior party cadres to really master the theory of Marxism and know how to apply the stand, viewpoint, and methodology of Marxism to analyze and solve practical issues. Moreover, general knowledge about modernization can be acquired through other channels rather than the party school. It is hard for the party school to fully satisfy the students' needs for general knowledge.

The party's basic line after the 3d Plenary Session of the 11th CPC Central Committee has been proved to be correct through the test of the practice. After the establishment of a correct line, the key to its implementation lies in cadres. Without a large number of party cadres who really understand Marxism and a firm political stand, the party's line would not be put into practice.

In the years of the revolutionary war, Comrade Mao Zedong said that if our party has 100 cadres who have a perfect command of Marxism, we will be able to win the victory of the revolution. Of course, for a ruling party that is leading 1.1 billion people, it is now far from enough if the party only has 100 cadres proficient in Marxism. Now we need more such cadres. However, the spirit of Comrade Mao Zedong's remark remain applicable under today's conditions. In recent years, errors frequently appeared in the combination of the two basic points, namely the adherence to the four cardinal principles and the adherence to reform and opening up. Especially, as Comrade Deng Xiaoping said, some people used to attach importance to one side while neglecting the other side. Of course, the root cause of this problem laid in the party's top leadership. However, we should also calmly consider whether this problem is also related to the fact that the theoretical attainments of our cadres at the intermediate and high levels are not high enough and their ability to distinguish right from wrong is not strong enough? We may review our work in the previous period and see whether the departments or localities under our leadership perfectly implemented the party's basic line since the 3d Plenary Session of the 11th CPC Central Committee in an all-around way, or there remained certain deviations. If there were certain deviations, aside from other reasons, were they also related to the condition of our mastery of the political theory? The recent serious political struggle also showed the importance of our senior leading cadres' command in political theory. When the student unrest developed into social turmoil and then developed into a counter-revolutionary rebellion, the voice of the party central leadership could not be heard for a certain period, or

there were two difference voices. Many comrades were thus bogged down in perplexity and could not make independent judgment.

What judgment should be made under these circumstances? This was a serious test for all party members, especially leading party cadres. Some comrades had confused ideas in the early stage of the events because they were not aware of the true facts. This was not a problem concerning their command of political theory. However, some people indeed failed to withstand the test, not because they lacked knowledge about modernization but because they did not really master the political theory and lost their bearing on some principled issues. We should draw a lesson from this and bear it in mind. The problems in the past 10 years since the third plenum and especially the political storm between April and June this year should make us more firmly adhere to this point: Leading cadres must strengthen the study of Marxist theory, perfect their mastery of the political theory; party schools at all levels must take the enhancement of party cadres' command of political theory as their main task.

In recent years, people inside and outside the party talked a lot about the party's general conduct and style and strongly demanded that corruption be checked and degenerates be punished. Comrade Chen Yun told us: The general conduct and style of a ruling party have a bearing on the party's life or death. It was quite natural that the problems in the party's general conduct and style attracted wide attention and deep concern among the people. Our party is taking corresponding measures and is seriously solving these problems. However, I think that theoretical study is also an important aspect of party construction that we must not neglect, because this important issue will have a bearing on whether we shall correctly implement the correct line laid down by the 3d Plenary Session of the 11th CPC Central Committee, whether the four cardinal principles will be upheld in an all-around way, and whether reform and opening up can be advanced smoothly. However, such an important issue was neglected for a long time by the party's principal leaders and was not really placed in an important position in party construction. When Comrade Zhao Ziyang held the office of the party's general secretary, he went to the extreme of completely neglecting the party's ideological and theoretical construction. More than that, he made concessions again and again to the trend of bourgeois liberalization. As a result, some major ideological and theoretical positions of the party were occupied by people who stubbornly stuck to the position of bourgeois liberalization. There, comrades who upheld the Marxist principles were pushed aside and found no place to express their opinions. The weakness, concessions, tolerance, and connivance toward bourgeois liberalization constituted the root cause of the recent turmoil and revolt in the ideological aspect. We should seriously draw a lesson from this and prevent the reappearance of similar problems.

A major aspect of the party school's work is to strengthen the party's ideological and theoretical construction. Comrades who work in party schools deeply felt in the past years that sufficient attention was not paid to education in party schools. The party schools' teaching principle that Marxist theory should be taken as a main subject in the curriculum was frequently criticized by some people, while various professional training courses found favor in some people's eyes. Of course, professional training is necessary, but this cannot replace the study of political theory in party schools. It is not right to think that only professional training courses are in line with the needs of modernization construction and the needs of reform and opening up, while education in Marxist theory is outdated and unsuited to the trend of the times in the 1980's. If we cool-headedly analyze the present conditions of our party cadres, we may not think so.

In recent years, there were some major changes in the party's cadre appointment policy. More stress was laid on the rational structure of cadres' educational condition and age. As we all know, cadres are required to be younger, better educated, and more professional. Afterward, one more requirement was added. That is, they should have political integrity. Stressing a rational age structure and better education condition of the contingent of cadres marked a significant change in the cadre policy. However, while laying stress on cadres' age, educational condition, and professional knowledge, we did not pay sufficient attention to cadres' command of political theory.

As a result, the educational condition of cadres may have been improved, but their command of political theory may have become poorer. This constitutes a sharp contrast between the two sides. It is necessary to take educational background as a major factor when cadres are appointed and promoted. However, there is a deviation. That is, insufficient consideration was given to cadres' command of political theory and no strict and high requirements were set in this regard. So some cadres' command of political theory was incommensurate to their positions after they were promoted to leading positions. These problems not only existed in grass-roots units or leading organs at or below the county level, but also existed among some provincial and municipal leaders. Some provincial-level or ministerial-level leading comrades who studied in the central party school felt that their current attainments in political theory were incommensurate to their positions. We should soberly notice that some leading cadres at high or intermediate levels remain cadres mainly relying on their personal experience, and this phenomenon not only existed among cadres who did not receive good education but also among cadres who had received higher education if they did not have a good command of political theory. If this problem is not properly solved, it will affect our work, will affect the correct policy-making of the central authorities, and will affect our entire cause. So we must stress the necessity of theoretical study among leading cadres, and this is never a stopgap measure but the party's strategic task. Party schools at all

levels should not be thought of as marginal organs which are dispensable or as some temporary training organs; instead, they should be taken as important institutions for fulfilling the party's strategic task as mentioned above.

In recent years, people have talked a lot about the teaching conditions in party schools. In party schools, students, teachers, responsible cadres, and ordinary staff members were generally discontented with the teaching conditions there. The future of the party schools lies in reform. Only through reform can the party schools increase their rallying force and attractive force. This has become the consensus of opinion among many comrades. However, there are considerable differences on the issue of how to carry out reform. Some comrades hold that party schools should reduce courses about Marxist theory and increase courses about various new branches of knowledge. It seems to them that such changes will bring vigor to the teaching work in the party schools and help party schools tide over the present predicament. I do not oppose the idea about adding some courses about new knowledge to the curriculum and do not oppose some comrades' trial and exploration in this regard. However, I do not think that the main effort of the teaching reform in party schools should be made in this aspect. Instead, we should mainly apply the stand, viewpoints, and methodology of Marxism to analyze the new conditions and solve the new issues. In other words, we should make a new exploration in combining Marxist theory with the present reality. Innovation must be made in the course of reform, but all innovations should still be based on Marxism rather than deviating from Marxism. We may think: If we do not make an effort to combine theory with practice and to apply Marxist theory and the party's line, principles, and policies since the third plenum to the creative study of the present domestic and international conditions but concentrate our energy on the new courses about intellectual development, leadership arts, and policy-making arts, can we instill new vigor to the teaching work in party schools and improve the situation in party schools? No. This has been fully proved by the practice in recent years. In recent years, many students took some new courses in party schools, but this did not actually help them enhance the level of their outlook on the world and their methodology and help them raise their ability to analyze and solve problems aside from making them taste the originality of these courses. They still felt that the study of Marxist theory, especially the study of Marxist philosophy, could really help enhance their consciousness and ability.

The main course in party schools should still be Marxist theory, but the contents of this course should not merely repeat things mentioned by the classic writers more than 100 years ago or several decades ago. The most valuable thing in Marxism is its revolutionary critical spirit. This is not only applicable to all things and all theories, but also applicable to itself. Continuous development and innovation bring endless vitality to Marxism. China carries out

socialist revolution and construction against a historical background and in a social environment completely different from what Marx and Engels envisaged.

We cannot find ready-made answers in the classic works of Marxism for the problems we have encountered in China. We should apply the stand, viewpoints, and methodology of Marxism to analyze our national conditions and draw our own conclusion. It is wrong to negate the universal guiding significance of Marxism under the excuse of China's special national conditions, and to say that Marxism has become outdated in the 1980's. These opinions give expression to bourgeois liberalization. However, it is also wrong to ossify Marxism, adopt a dogmatist approach to Marxism, and refuse to study new conditions and solve new problems. Comrade Deng Xiaoping has set a good example for us in correctly approaching Marxism. On the one hand, he upheld the four cardinal principles with a clear-cut attitude and resolutely opposed bourgeois liberalization; on the other hand, he put forward the thesis of building socialism with Chinese characteristics and acted as the general architect for China's reform and opening up. According to his proposal, our party solved a series of new practical issues after the 3d Plenum of the 11th CPC Central Committee, including the issue about the initial stage of socialism, the issue of the development of a planned commodity economy, the issue about the current ownership forms, and the issue about the productive forces criterion. The study of these issues was of great practical and theoretical significance. Aside from these issues, we still need to study many other issues. For example, how can the socialist system fulfill self-improvement? This is a major theoretical issue. If it is correctly solved, it will be of great guiding significance for the further development of socialism. Admittedly, almost all socialist countries, including the Soviet Union and the East European countries, have not yet successfully solved this issue. Without solving this issue, the superiority of the socialist system will not be fully demonstrated and guaranteed, and it will be hard to ensure the strong attractive and rallying forces that the socialist system should have. As another example, attention should also be paid to the issue concerning justice in society. Socialism should mark the elimination of the system of man exploiting man and should represent social justice to the highest degree. However, as productive forces in the initial stage of socialism remain at a rather low level and a variety of ownership forms and distribution forms will inevitably coexist, it is also unavoidable that unfair distribution of wealth will continue to exist in society in various new forms. This issue must be solved. Otherwise, it will become a major unstable factor in society. In addition, many new phenomena have appeared in the world since the end of World War II, and the rapid development of science and technology has also brought about many new issues that we should study. In short, there are now many issues for studying, and it is also the time that theoretical workers can play a big role. In recent years, various party schools have done a great deal of work in the creative research of Marxist theory in connection with practice,



and have achieved certain results. However, this was still far from meeting the requirements of the party and the students. Party schools should play a much bigger role. Henceforth, we should redouble our effort, pay attention to the combination of theory with practice, concentrate on making innovations in the study of Marxist theory, strive for solid results in the teaching of reforms in party schools, raise the teaching conditions in party schools to a new high, and better fulfill the glorious task of training party cadres at the high and intermediate levels according to the instructions of the party central leadership. We shall work hard for these purposes!

(This article was originally published in the ninth issue of DANGXIAO LUNTAN)

### 30 Million Cadres Trained in 40 Years

OW1509184089 Beijing XINHUA in English  
1532 GMT 15 Sep 89

[Text] Beijing, September 15 (XINHUA)—China has trained 30 million cadres since the founding of the People's Republic in 1949, nearly four times of that in 1954, according to a party official.

In the early years of the People's Republic which was founded in 1949, the new government had only 1.7 million cadres, of whom 400,000 were transferred from the old regime.

The newly trained cadres have passed various tests and been proved to suit the needs of the country's socialist construction, said the official from the Organization Department of the Chinese Communist Party Central Committee.

Cadres in China refer to those on the government payroll, including administrative and technical personnel.

The number of technical personnel has reached 21 million, an increase of 34 times over that of 1954; the number of ethnic-minority cadres is 1.84 million, nine times greater than that of 1954; the country has now 8.79 million women cadres, an increase of 11 times.

Seventy-five percent of the cadres are graduates of high schools or secondary technical schools. Of them, 28 percent are college graduates. In the early days of New China, only 22 percent of the cadres graduated from high schools or secondary technical schools.

Despite some corrupt elements within the ranks, the cadres as a whole has proved to be the backbone of the country's socialist construction and reform, the official said.

The party will stick to the policy of respecting knowledge, respecting qualified personnel and respecting intellectuals, the official added.

## Science & Technology

### First Computer Virus Disrupts Coal Industry

OW2109215389 Beijing XINHUA in English  
1629 GMT 21 Sep 89

[Text] Beijing, September 21 (XINHUA)—A computer virus spreading in the computer system of the coal industry is disrupting the system, according to the latest issue of THE CHINA COAL JOURNAL.

This is the first computer virus found in China.

The newspaper says that the virus was found in computer systems of the Chinese Coal Corporation, and the coal bureaus of Shandong, Shanxi, Henan, Anhui and other provinces and their subordinate units.

Experts urged departments concerned to pay great attention to the virus and make efforts to work out ways to clear it away.

Computer viruses were first found in the United States about 10 years ago. They are actually repeated mistakes in calculation caused by bad software or programs that finally paralyze the whole computer system.

### Forum Urges Devotion to National Development

OW2109195889 Beijing XINHUA in English  
1444 GMT 21 Sep 89

[Text] Beijing, September 21 (XINHUA)—Leading Chinese scientists have called on all Chinese scientific workers to devote themselves to the development of the nation.

Qian Xuesen, president of the Chinese Association for Science and Technology, said at a forum that today's scientific and technological work is much more extensive and complex than in the times of Newton and Watt, two British scientists who laid the foundation for modern science in the 17th and 18th centuries, when scientific research and invention was chiefly an individual activity.

"Today we must emphasize team efforts in our research," Qian remarked.

In order to make China a comparatively well-off nation by the year 2000, Qian said, China must follow a new road on its way to socialist modernization. "We must stick to both the four basic principles (Marxism, Leninism, and Mao Zedong Thought, leadership of the Communist Party, socialism, and proletarian dictatorship), and the reform and open-door policies in future work.

Jiang Minkuan, vice-minister of the State Science and Technology Commission, said that scientific democracy and collective wisdom are important factors in scientific development. "Democracy in scientific research will help us understand nature correctly," he said.

Physicist Wang Ganchang, member of the China Academy of Sciences (CAS), said that China must depend on self-reliance, hard-work and socialist cooperation to develop its science and technology.

Luo Peilin, expert of electronics and CAS member, said that science and technology can be effective in national development only if they are mastered by the great majority of the working people.

The forum, organized by the Chinese Association for Science and Technology, was presided over by nuclear physicist Qian Sanqiang, method, which has treated 30 liver cancer patients.

### Commission Reviews Recent Achievements

OW2109114989 Beijing XINHUA in English  
0801 GMT 21 Sep 89

[Text] Beijing, September 21 (XINHUA)—Chinese scientists have made some significant achievements during the period of China's "Seventh Five-Year Plan" (1986-90), including advancements in agriculture, medical science, bio-engineering, energy and technical equipment, according to the State Commission of Science and Technology.

Agricultural achievements include a comprehensive rice paddy protection technique and a new kind of pest-killer which has been applied to 660,000 hectares of land.

In the field of medical science, scientists, inspired by the theory of missiles, have developed the so-called "selective location and direction" method, which has treated 30 liver cancer patients.

Over 50 achievements have been made in biological engineering. The clinical trial of engineered bacteria producing penicillin acylase, which is expected to save a great deal of money for the state after being put into production, has been proved to have reached world level.

A major breakthrough has taken place in nuclear technology with the establishment of China's, as well as the world's, first five-megawatt low-temperature heat-supplying reactor, which has passed tests and will be put into operation in the near future.

In addition, the localization rate of some important items of technical equipment has greatly increased. For example, a 10 cu m electric forklift truck is 100 percent China-made.

Chinese engineers have designed, improved and manufactured most parts of a 300,000 kw and 600,000 kw heat-engine system.

Chinese medical researchers have successfully drawn a genetic map of living liver cancer cells for the first time in the world, providing the basis for further research into cancer control.

## Military

### Article Views Martial Law Troops Political Work

HK2009144789 Beijing JIEFANGJUN BAO in Chinese  
7 Sep 89 p 3

[Article by Zang Wenqing (5258 2429 3237): "Continue To Do Ideological, Political Work Well While Carrying Out the Task of Enforcing Martial Law Order"]

[Text] Ideological and political work is the lifeblood of our Army, and an important guarantee for enhancing combat effectiveness of our troops and accomplishing various tasks. It is also an important guarantee for successfully fulfilling the task of enforcing martial law order.

Quelling the current political turmoil and counterrevolutionary rebellion in the capital is a special political struggle, and a class struggle as well. The specific conditions and situation were very complicated. During that period, international reactionary forces and hostile forces at home collaborated with each other. Representative figures inside the party who vigorously supported bourgeois liberalization acted in collusion with persons outside the party who stubbornly persisted in the stand of bourgeois liberalization. The sinister plot by a tiny number of people for creating turmoil in a bid to overthrow the Communist Party and subvert the socialist system was mingled with the kindhearted desires of the majority of people who hoped that our party would correct its mistakes and defects. Contradictions between the enemy and ourselves, and contradictions among the people became entangled, in addition to the two voices inside the party Central Committee. It was the first time in its history for the Army to carry out such a special task.

In addition, a large number of people failed to understand the martial law order enforced by us. They blocked our troops from entering the city. On the one hand, our troops had to do well in pursuing the drive of the "three loves." On the other hand, they had to strike blows at a small number of rioters. During one period of time, political rumors were spreading everywhere, deceiving the masses and confusing people's minds. Our cadres and soldiers came under attack from all sides. They were insulted, scolded, and beaten up. They had never experienced this in the past. In such a complicated political struggle and environment, the majority of the commanders and men of our martial law enforcement troops took a firm and clear-cut stand, and strictly observed discipline. They endured humiliation in order to carry out their important mission, and resolutely fulfilled their task. Under the leadership of the party Central Committee and the Central Military Commission, they won a decisive victory in the struggle of quelling the rebellion.

Obviously, without an ideological and political foundation laid by ideological and political work at ordinary times, the revolutionary spirit generated by it, and the

guarantee of a powerful ideological and political work under special conditions, it would have been impossible for them to do so.

In the struggle of enforcing the martial law order and quelling the rebellion, we have always used the policy decision of the party Central Committee to unify the thinking of our cadres and soldiers, so that they can always stick to a firm and correct political orientation. We make an analysis of the situation promptly in order to have a good grasp of the ideological trends. We continuously put forth explicit demands in light of the changes of the situation and tasks. While carrying out our political and ideological work, we have a definite object in view.

Political organs and political workers at all levels persist in going right to the front line in order to provide service. They go right to the front line in order to have a good grasp of the situation, and do their ideological work well. Various material and cultural goods are sent directly to the front line. Various practical problems are also solved on the spot without any delay. The political workers break with convention and change the previous unhealthy work style of burying themselves in holding numerous meetings and writing documents, red tape-ism, passing the buck, and so on. Their ideological and political work is carried out in a prompt and effective way without any hindrance. More efforts are devoted to practical work. This has enhanced their working efficiency.

Cadres at all levels and Communist Party members set an example by personally taking part, and playing an exemplary role. When soldiers are hungry and thirsty, cadres give them their food and water. When soldiers have no place to sleep, they give them their bedding. When the weather is hot, they preserve a shady and cool place for their soldiers. It is precisely such powerful ideological and political work which guarantees our success in quelling the rebellion and fulfilling the task of enforcing the martial law order. All these experiences and methods are of important significance in guiding the fulfillment of the task of enforcing the martial law order in the future.

Now we have won a decisive victory in the struggle of quelling the rebellion. But we have not yet won a complete victory. Our task of enforcing the martial law order has not ended, and we are still shouldering a heavy burden. To ensure a successful completion of the task of enforcing martial law order, we must vigorously strengthen our ideological and political work, just as we did during the period of quelling the rebellion.

We should realize that with the changes of the situation, the thinking of our cadres and soldiers will also change. For example, some of them think that since the rebellion has been suppressed, and the situation has been eased, it is now time "to withdraw the troops." Some of them said that they had been scolded and had suffered enough hardship. Now since the task has been successfully accomplished, they should have a breathing spell. Some

of them have even claimed credit for themselves and become arrogant. Some of our cadres and soldiers could stand a severe test during the most difficult period. However, after standing guard in the teeth of wind and sun for a long time, they fear hardship and fatigue. Some are influenced by those unhealthy things. During the extraordinary period, our cadres and soldiers could take the whole situation into account, and set aside all their personal problems. But now some comrades have obviously given prominence to their personal problems such as marriage, home leave, taking care of parents, mediating family disputes, and so on. In addition, after our troops are stationed in a place for a long period of time, some specific problems connected with local people might occur. Therefore, we must further strengthen and improve our ideological and political work in light of the new situation and new problems.

At present, to further strengthen and improve our ideological and political work, we must organize our troops to profoundly study Chairman Deng's important speech and the spirit of the Fourth Plenary Session to further unify the thinking of our cadres and soldiers, so that they can fully understand the protracted nature and complexity of the struggle, and the importance and necessity of carrying out the task of enforcing the martial law order. In such a way, they will fully follow the command of the party Central Committee and the Central Military Commission, and successfully accomplish the task assigned by the higher authorities of enforcing martial law order and standing guard.

Through various methods, we must help within our power our cadres and soldiers to solve practical problems and remove their trouble back at home. We must grasp the education in anti-corruption as an issue of primary importance while carrying out our ideological and political work. We must ensure that our cadres and soldiers remain uncontaminated amid the temptations of a big city. Proceeding from our practical conditions, we must do our propaganda work well, and effectively promote the unity between the Army and Government, between the Army and civilians, and between different Army units. In this regard, we must display our outstanding work style and adopt a magnanimous attitude, and set a high demand on ourselves. Problems must be solved in the embryonic stage.

While appraising the merits of our cadres and soldiers, we must also do our ideological work well in order to further arouse their enthusiasm. We must try our best to improve the material and cultural life of our troops in light of local conditions, so that they will always maintain high morale and be full of vigor. We must strictly implement the policy, and enforce discipline, and enhance our concept on law and discipline. Our soldiers must stand guard in a civilized way, and go about things in accordance with law. We must vigorously carry out the activities of learning from the "Guards of the Republic," and the emulation campaign of becoming a "powerful and civilized division," so that our troops will establish an image of powerful and civilized force in



front of the people of the capital. We must continue to strengthen education in loving the party, the state, socialism, and the people in the capital to deepen the feelings of our cadres and soldiers for the party, the nation, and socialism. This will arouse their enthusiasm for safeguarding the party, the republic, and socialism.

Our efforts to strengthen ideological and political work must be effectively combined with our strict administrative and management work. Facts have shown that ideological changes of our cadres and soldiers are closely connected with our administrative and management work. Our administrative and management work includes ideological administration, whereas ideological work also covers management work. Therefore, while making work arrangements, we must set some demands on our ideological and political work.

In the meantime, we must take some administrative and management measures. We must pay attention to studying and summing up our experiences in strengthening our ideological and political work in our administrative management, and give play to the mandatory role of our administrative management in the course of carrying out our ideological and political work. Negligence in either of them is not allowed. Cadres in charge of military work and cadres responsible for political work must cooperate with and support each other. They must give play to the role of ideological, political, and administrative management work in order to enhance the working efficiency as a whole. We must fully mobilize the masses to create a new situation in which everyone is engaged in ideological and political work. We must also pay attention to giving play to the exemplary role of cadres. Cadres must set a strict demand on themselves, and set a good example as well. Before asking other people to do a certain thing, they must do it themselves first. Before asking other people to resist a certain thing, they must resist it first. Very often such silent order is more effective and authoritative, and can play its guidance role more efficiently.

### **Economic & Agricultural**

#### **Article Analyzes, Criticizes Privatization**

HK1909060089 Beijing RENMIN RIBAO in Chinese  
4 Sep 89 p 6

[Article by Zhou Longbin (0719 7127 3453): "Comment on the Ideological Trend of Privatization"]

[Text] During the spring and summer of 1989, political turmoil occurred in our country. Later it developed into a counterrevolutionary rebellion. Just as Comrade Deng Xiaoping has profoundly pointed out: "This has been determined by the major international climate and the minor climate in China. It must inevitably come." Regarding the domestic climate, there was an ideological trend which once attracted people's attention, namely,

privatization (privatizing all or the majority of state-owned enterprises in China). In this article, I wish to examine and analyze this issue.

1. In May of last year, SHIJIE JINGJI DAOBAO published a report on a meeting held in a certain university. In the meeting, some people cooked up four charges against public ownership: "The public ownership is devoid of content"; under public ownership, "laborers can never become the masters of production and society"; "the efficiency of the commodity economy under public ownership is low"; and "public ownership lacks a growing point." In the same month, a certain journal in Guangzhou published an article which pointed out: "Some persons believe that it is a heavenly principle that socialism can only be built on the basis of public ownership of the means of production." It added: "We would like to discuss with those persons who say that this heavenly principle was worked out by the founders of scientific socialism." It continued: "While expounding socialist ownership, Marx always used the concept of social ownership rather than other concepts." From then on, more and more articles were published, which negated the dominant position of the socialist public ownership, and preached privatization. Some newspapers and journals with nationwide circulation also gave publicity to such viewpoints. What should be pointed out is that SHIJIE JINGJI DAOBAO was particularly enthusiastic in propagating privatization. Although it also published two short articles holding divergent views, they served only as a contrast. The newspaper published many articles which propagated privatization, and some of them were "key articles." During the second half of last year, DAOBAO again published special interviews with some scholars. Some interviewees definitely placed the hope of the reform of socialist countries on "political pluralism" and "economic privatization." In last January, the newspaper also published the following report: Someone said that "if the fixing of farm output quotas for each household was regarded as the first step in rural reform, developing private economy must be regarded as a task of top priority in China, and the second step of reform. It continued: "Theoretically, private economy has been regarded as a 'supplementary part' of the national economy. Obviously, this has not explained the problem clearly." In last February, the newspaper again published a long article that pointed out: "Problems cropping up in reform are much simpler than people have imagined. The methods for solving them are also much easier than people had thought. In other words, complete privatization, or the plan of running enterprises by local people must be implemented." It added: "Privatization, or running enterprises by local people is the only way to success." Later, the newspaper carried a proposal submitted by Chinese scholars and doctoral candidates working or studying in a certain American university entitled: "Privatization of State-Owned Property: Trends and Options." According to those who submitted this proposal, three methods could be adopted to implement their plan: 1) "Starting

with the work of dividing equally the state-owned property"; 2) "Starting with the work of promoting the current individual economy...when it is gradually developing and expanding, it can infiltrate into, or even replace most of the state-owned economy"; 3) "Starting with the work of encouraging savings deposits...and the banks can stipulate that when residents' savings deposits reach a certain amount, they as individuals can buy some of the property of the state-owned enterprises. This will gradually individualize the property of the state-owned enterprises." To them, these three methods were still not the best. Their final conclusion was: "We must wholly individualize the state-owned property, so that the face of China will take on an altogether new aspect."

Obviously, the proposition on privatization has been supported with arguments and grounds of arguments, and the methods for implementing it. It is not an accidental phenomenon, but has become a kind of trend of thought.

Why could the propaganda for privatization in our country become increasingly strong? First, it was inseparable from foreign influence. This has been reflected not only in the influence of the privatization of the state-owned enterprises in the West, but also in the direct participation of some foreign noted economists. In September of 1988, when an American "economist of an ultraliberal faction" was visiting China, he vigorously peddled privatization. He was received by Comrade Zhao Ziyang. In November, he again made a speech at Stanford University in the United States entitled "Whither Must China's Economy Go?" He stressed that "a free and private market economy" is a "fundamental way out." Second, it was connected with Comrade Zhao Ziyang's indulgence and connivance, and his failure to take forceful measures to deal with bourgeois liberalization. Propagating privatization and negating socialist public ownership violates not only the program of our party, but also the Constitution of our country. Our Constitution explicitly stipulates: "Socialist public ownership of the means of production is the basis of the socialist economic system of the People's Republic of China." Comrade Zhao Ziyang as the general secretary of the party failed to take effective measures to criticize and stop such sinister propaganda which violated the Constitution.

The spread of economic privatization played a very bad role, because it confused people's thinking, and shook the belief of many of our youths in socialism. The economic program of the plotters of the turmoil was privatization. As early as 1986, Fang Lizhi pointed out: Wholesale Westernization must "include our political system and ownership." Later, he explicitly stressed: "Reforming our ownership system and privatizing it is the fundamental method." One of the four programs of Liu Xiaobo was to "use privatization and market economy to replace public ownership and planned economy." After returning from abroad, Su Shaozhi published an article in SHIJIE JINGJI DAOBAO, definitely putting forward the slogan of "economic privatization."

"The Manifesto of Private Ownership—the Hope of China," which was published during the turmoil, was also a masterpiece in this regard.

2. Some articles emphasize: "Building socialism on the basis of the public ownership of the means of production was not the idea of the founders of socialism, because in their works there was no concept of socialist public ownership." This idea does not tally with the facts. As early as in the 1940's, the founders of scientific socialism explicitly pointed out: "We must eliminate private ownership and replace it with public ownership of property." This must be regarded as one of the aims of Communists. They added: "Only by eliminating all private ownership can the proletarians emancipate themselves." ("Selected Works of Marx and Engels," Vol 4, p 319; Vol 1, p 213) What was more important was that they theoretically analyzed why capitalist private ownership must inevitably be turned into socialist public ownership. They found out that the basic contradiction of the capitalist system was the contradiction between socialized production and capitalist private ownership. It was precisely this contradiction which led to the change of the ownership system.

The matter was clear. Why did it become a problem later? This had something to do with the translation of the original texts in German. Some comrades maintained that "socialist ownership" must not be translated into "public ownership," and that while talking about socialist ownership, Marx and Engels strictly avoided using the concept of public ownership. The problem of translation was originally an academic problem. However, those who preached privatization made use of it. They asked: Since the founder refrained from using the concept of socialist public ownership, why must we persist in the public ownership system? According to some comrades who study and check the translation of the original text, in German-Chinese dictionaries published in China the term socialism covers only the concept of "social ownership." But in dictionaries published in Democratic Germany or West Germany, the term covers both "social ownership" and "public ownership." In particular, when socialism is compared with "privatization," it was completely right to say that it covered the concept of "public ownership." Some articles quote a passage from "Anti-Duhring": "The transformation of the scattered private property of individuals, arising from their own labor, into capitalist private property is, naturally, a process, incomparably more protracted, violent, and difficult, than the transformation of capitalist private property, already actually resting on socialized production, into socialized property." ("Selected Works of Marx and Engels," Vol 3, p 170) This is precisely the fact.

In addition, some comrades have found out that when Marx and Engels were talking about ownership system in socialist, or communist society, they used two German words which mean public ownership and public property. For example, in the 1882 preface to the "Communist Manifesto," there is a term—"communist public



ownership system." ("Selected Works of Marx and Engels," vol 1, p 231) This explains the matter clearly.

In a word, it is completely wrong to negate socialist public ownership and preach privatization by making use of the problem of translation. Social ownership as a form of socialist public ownership has existed in Yugoslavia for many years. It is completely right for us to study and probe it.

3. Those who advocate "economic privatization" maintain: "Public ownership is different from private ownership. Due to the lack of accumulated driving force for seeking private property, it is impossible for public ownership to arouse the enthusiasm of workers. This can only lead to low efficiency, and the stagnation of production." If this argument is tenable, socialist public ownership must be replaced by private ownership. But it is far from being true.

1) There is no doubt that private ownership of the means of production can arouse the enthusiasm of the owners. However, it cannot evoke the enthusiasm of the working class. Capitalist private ownership has brought exploitation to the working class. Workers sell their labor to capitalists, just like selling their skin. Trembling with fear, they let capitalists crumple their skin. ("Complete Works of Marx and Engels," vol 23, p 220) How can this arouse their enthusiasm?

2) What do socialist countries rely on to arouse the enthusiasm of workers and laborers? They must, first of all, change the situation of workers losing their means of production, and being ruthlessly exploited. This means they must establish socialist public ownership. They must promote a new economic system, and persist in a correct principle on material interests (or improve "mechanisms of interests.") In addition, they must let workers participate in management, so that they will become the masters of enterprises. All-personnel contract responsibility systems, pursued by advanced enterprises such as the Shoudu Iron and Steel Complex and others, have enhanced the sense of responsibility of the broad masses of workers and aroused their pioneering spirit. Marked success has proved the eligibility of the contract responsibility system.

3) Saying that socialist public ownership can only bring about "low efficiency and production stagnation" is of no difference from negating the achievements of the reform over the past 10 years, and turning a blind eye to the fact that our economic growth rate is higher than capitalist countries. From 1980 to 1985, annual growth rate of our GNP was 9.2 percent, whereas developed countries was 2.3 percent, the United States 2.1 percent, and Japan 4 percent. The annual growth rate of our GDP was 9.8 percent, developed countries 2.3 percent, the United States 2.5 percent, and Japan 3.8 percent. In his new book "1999: Winning Without War," [bu zhan er sheng 0008 2069 5079 0524] Nixon admits that China's "economic growth rate in 1986 was 11 percent, 300 percent higher than the average growth rate of Western

industrial states." The abovementioned success in our country was achieved under the condition that our socialist public ownership has occupied a predominant position. How can we rudely vilify our socialist public ownership system?

Furthermore, we must also realize that due to reform over the past 10 years, a number of advanced enterprises have come to the fore in our country, and their labor productivity is comparatively high. Let us take the Shoudu Iron and Steel Complex as an example. During the past 10 years, its labor productivity calculated on the basis of its net output value has increased by 260 percent, with an average annual growth rate of 13.66 percent. This has been faster than the increase of labor productivity of large iron and steel enterprises in developed countries. The capacity factor of blast furnaces, and converters, and the energy consumption rate for the per ton production of steel in the Shoudu Iron and Steel Complex have been among the best in the world. This has exploded the "myth" that the efficiency of enterprises under socialist public ownership must inevitably be low. Why do some people say that "privatization is the solution for state-owned enterprises?"

4. Those who advocate privatization put forward another argument: "Without changing the ownership system, there will be popular discontent, and the society will be devoid of its centripetal force [xiang xin li 0686 1800 0500]." The so-called centripetal force mainly means that members of the society strive for a common goal. In our country, the centripetal force of the society (the morale of the people) means that all people strive for a common goal of building China into a modernized and powerful socialist power. Whose centripetal force is greater, privatization or socialist public ownership? It is not difficult to give the answer.

It is known to all that the ideological viewpoint based on public ownership is collectivism. This means that the interests of individuals must be subordinated to the interests of the state. Therefore, socialist public ownership is the basis of the centripetal force of our society. World outlook developed on the basis of private ownership system is "everyone for himself and the devil taking the hindmost." Once all ownership systems in China are turned into a private ownership system, everyone will disregard the collectives and the state, be busy working for himself even at the expense of the state. The situation will be very serious. Of course, this can only weaken rather than strengthen the centripetal force of the society. Furthermore, socialist public ownership has ensured that the broad masses of laborers will not lose their means of production, and that they will not be exploited. It is also a prerequisite that the broad masses of laborers will embark on the path of common prosperity. Once privatization is realized, severe polarization and a wide gap between the rich and the poor will inevitably occur. When the antithesis between the rich and the poor has occurred, the centripetal force in our society can only be weakened rather than strengthened. Is it not clear enough?

At present, there are many people in our country who are dissatisfied with, or disappointed at the existing state of affairs. This is closely connected with the mistakes or defects in our reform and economic work (such as inflation, corrupted phenomenon, and unfair distribution). The root of the problem does not lie in socialist public ownership. To solve the problem, we must not abandon socialist public ownership. A host of facts have shown that carrying out reform under the prerequisite of upholding socialist public ownership will enable us to overcome the situation of low morale, and to strengthen the rallying power and centripetal force of our society. Comrade Zhou Guanwu published an article in RENMIN RIBAO to sum up the experience of reform in the Shoudu Iron and Steel Complex over the past 10 years. In the article, he pointed out: "Contract system has enabled the Shoudu Iron and Steel Complex to make progress step by step...and generate very strong rallying power." Last year, more than 10 war industrial enterprises which suffered from losses in their business operations were amalgamated into the Shoudu Iron and Steel Complex. According to a report by a RENMIN RIBAO reporter, before the amalgamation, in those enterprises "old workers intended to retire in advance in order to make more money in other places, young workers were eager to earn more outside their enterprises, and some technical workers did not want to stay in their enterprises because their way for making more money would be blocked." After the amalgamation, the ownership system of these enterprises remain unchanged. But they have correctly handled relations between the state, enterprises and individuals in accordance with the principle of the contract system of the Shoudu Iron and Steel Complex, and combined well their responsibility, power and interests, so that enterprises and workers are "united in a community of fate." As a result, their production has risen steadily, and their losses have been eliminated. Those who applied for quitting the enterprises have now withdrawn their application. Those who have left intend to come back. The practice of reform has demonstrated that the rallying power or centripetal force of the society is not developed through negating socialist public ownership. If privatization can ensure a high morale and strong centripetal force, why did Chiang Kai-shek lose popular support, become utterly isolated and unable to avoid the destruction of the Chiang dynasty after pursuing privatization for more than 20 years?

5. Those who advocate privatization cited Marx's thesis of "reestablishing individual ownership" to support their argument. In his "Das Kapital," Marx said that in the future society, "individual ownership must be reestablished." To those who preach privatization, this means that means of production must be based on "private ownership in which everyone has his share." We believe that it is a serious distortion of the facts to interpret the "reestablishment of individual ownership" as everyone becomes a private owner of the means of production in the socialist and communist societies. What did Marx originally say? The original passage was:

"...Capitalist ownership is the first negation of individual private ownership based on individual labor. However, due to the inevitability of the natural process of capitalist production, this means the negation of capitalist production itself. This is a negation of the negation. This negation does not mean the reestablishment of the private ownership. It means that on the basis of the achievements of capitalist era, namely, on the basis of cooperation and jointly owning the land and the means of production manufactured through labor itself, individual ownership must be reestablished." ("Complete Works of Marx and Engels," vol 23, p 832) Marx "affirmed" private ownership before the capitalist society based on individual labor (individual private ownership of small producers), but "negated" capitalist private ownership. Regarding individual ownership on the basis of the public ownership of the means of production, he regarded this as a "negation of the negation." In other words, individual ownership which would be reestablished in the future society must be based on public ownership of the means of production. In the meantime, Marx pointed out that the second negation did not mean that he favored the "reestablishment of private ownership." How can we interpret the "reestablishment of individual ownership" as the reestablishment of the private ownership of the means of production, even though it is a "private ownership shared by all?" What does this private ownership "shared by all" mean? When Duhring criticized Marx's remarks, saying that stressing both "individual and public ownership" meant a "confused world" and "confused hybrid," Engels answered explicitly: "...Regarding the reestablishment of individual ownership on the basis of public ownership of land and means of production manufactured through labor itself, those who know German realize that public ownership includes land and other means of production, whereas individual ownership includes products, namely, consumer goods." ("Complete Works of Marx and Engels," vol 20, p 143) It is obvious that the so-called "individual ownership" in the future society covered only consumer goods and materials, but not the means of production. Can we say that this was the viewpoint of Engels, which Marx did not favor? The answer is no. It is known to all that the manuscript of "Anti-Duhring" was read by Marx, and the book was published in Marx's lifetime. This demonstrates that Engels' interpretation did not run counter to Marx's original meaning.

Some people might argue, saying: "Private ownership of some individuals" is no good, but "private ownership shared by all" is good (because the means of production are shared by all, and everyone is equal). For the time being, we do not intend to make any comment on whether the "private system shared by all" is good. However, it should be pointed out: Under the conditions of the existence of private ownership, with the development of the commodity economy, some people might meet with defeat, go bankrupt, or lose their means of production due to various reasons. However, some other people might win in competition, become rich and own

a large quantity of the means of production. In other words, under the conditions of the existence of private ownership and commodity economy, "private ownership shared by all" is nothing but an illusion.

In conclusion, we would like to ask: Is it right to say that without privatization, there would be no solution for reform? The answer is no. Practice of reform over the past 10 years has shown that under the prerequisite of the socialist public ownership occupying a predominant position, reform can truly work. The achievements of reform in many places have proved this. Of course, there are various forms of public ownership. We must continue to make exploration in this regard. However, we must on no account deviate from the socialist orientation, or pursue economic privatization.

#### Article Discusses Collective Economy

HK2209025389 Beijing JINGJI RIBAO in Chinese  
8 Sep 89 p 3

[Article by Ji Long (1323 7893): "Collective Economy is an Important Part of Public Ownership—Also Commenting on Comrade Zhao Ziyang's Guiding Thought of Equating Collective Economy With Private Economy"]

[Text] On the question of socialist ownership, Article Six of our country's Constitution stipulates: "The basis of the socialist economic system of the People's Republic of China is socialist public ownership of the means of production; that is, ownership by the whole people and collective ownership by working people." The report delivered personally by Comrade Zhao Ziyang to the 13th CPC National Congress also stated: "Public ownership should remain predominant in the initial stage of socialism," "the private sector of the economy is a sector which involves wage labor," "it is thus a necessary and useful supplement to the public sector," and "it is necessary to develop an economy with different types of ownership, with public ownership remaining predominant." However, in his true guiding thinking and actual work, Comrade Zhao Ziyang paid little or no attention to the relationship between public ownership remaining predominant and the private sector of the economy being a supplement. He failed to put not only enterprises under the system of ownership by the whole people, in particular, large and medium-sized enterprises, but also enterprises under the system of ownership by the collectives, in particular, large and old collective enterprises, in a correct relationship to each other.

**Comrade Zhao Ziyang supported the adoption of a policy of tilting [qing xie 0282 2428] to economic sectors which were of a lower level of collectivization, thus undermining large and old collective enterprises and weakening the foundation for public ownership.**

People who pursue bourgeois liberalization are trying in vain, by using the method of "thinning out ownership," to steadily "move close to capitalism," to gradually change the foundation of our country's socialist system, to disintegrate the systems of ownership by the whole

people and by the collectives, which belong to public ownership, and to make private ownership the main sector of our country's economy step by step and proceed to induce the whole economy to privatization.

Although Comrade Zhao Ziyang did not bluntly preach privatization, in the course of reform and opening up to the outside world, he connived at the blind development of the private economy, supported the adoption of a policy of tilting to economic sectors which were of a lower level of collectivization, and openly propagated transplanting the operation mechanisms of township and town enterprises to large and medium-sized state-owned enterprises and transforming them with such mechanisms, thus weakening the foundation for the economy under the system of ownership by the whole people. This serves as a blow not only at the large and medium-sized state-owned enterprises which are of a very high level of public ownership but also at large and old collective enterprises which are of a fairly high level of public ownership. It is also undoubtedly an encouragement to privatization.

Enterprises under the system of ownership by the whole people and by the collective fall into the category of the economy based on public ownership. They carry out production under the guidance of state policy and plans, share the status of primary subjects, and have common substantial characteristics. In the initial stage of socialism, they can display their own superiority and vitality. The major difference between them lies in the level of public ownership of the means of production and the possession, form, and scope. Enterprises under the system of ownership by the whole people rely mainly on state investment and enterprises under the system of ownership by the collectives chiefly on their officially owned funds and funds they accumulated themselves. Of course, it is very important for the state to give them preferential treatment in policy-related matters, such as taxation and credit. We should proceed from the actual conditions in the initial stage of socialism in China and develop industries under the system of ownership by the collectives which require less investment but promise quick results and are able to absorb a labor force in large quantities. They consume less energy and have huge potential in earning foreign exchange through exports and the ability to adapt to the development levels of productive forces at different layers. Accelerating the development of collective industries will help both alleviate fund shortages on the part of the state and increase effective market supplies, earn more foreign exchange through more exports, increase state financial revenues, and boost the expansion of the whole national economy based on public ownership.

When Comrade Zhao Ziyang took charge of the State Council, he heard many work reports on light industry, including the collective economy, and also made statements conducive to the development of the collective economy in the second light industrial sector. However, beginning in 1985, in particular, in the second half of



1986, he committed obvious errors. He said that collective industries had been invigorated and their historical missions completed, thus neglecting the consolidation and development of socialist enterprises under collective ownership. This was detrimental to upholding the four cardinal principles and deepening reform.

The National Federation of Handicraft Producers' Cooperatives and the federations of such cooperatives at all levels were developed during the cooperativization of handicrafts in the 1950's. As a collective economic federated organization run by the masses, the cooperative federation played an important role in implementing the principles and policies of the party and the state, organizing and developing production, and expanding the collective economy. However, during the "Great Leap Forward" and the "Great Cultural Revolution," due to "leftist" influences, the role of the cooperative federation was weakened and distorted and collective enterprises thus became appendices to competent departments. Since the 3d Plenary Session of the 11th CPC Central Committee, the party Central Committee and the State Council have made a correct appraisal of the federation of cooperatives—this collective economic federated organization run by the masses—and formulated a series of correct principles and policies conducive to the reform and development of the collective economy, thus playing a great role in supporting the collective economy. They were well received by the vast number of collective enterprises. However, because Comrade Zhao Ziyang took a passive attitude, the policies could not be implemented easily and the cases of equalization, indiscriminate requisition, and encroachment on the interests of the collective economy could not be checked despite repeated bans. In the last 3 years, the national federation of handicraft producers' cooperatives and some local cooperative federations failed to conduct their own affairs and business activities and the reform of the national federation and local cooperative federations could hardly be carried out. They have now entered a difficult position of completely not knowing what course to take. This is a profound lesson in the new situation.

**Several proposals for promoting the development of socialist collective industries.**

To do better work in the days to come and promote the greater expansion of collective industries, we should soberly review what we have done in the past and sum up our experience.

First, in accordance with the guidelines of the 4th Plenary Session [of the 13th CPC Central Committee] on paying particular attention to doing several solid things, above everything else, attention should be given to stabilizing and developing corresponding organs specialized in developing collective industries as an organizational guarantee. The work of the cooperative federation which has been weakened in the last few years should be strengthened. The central task of the cooperative federation is to serve cooperatives at the grass-roots level. The

key to whether the federation of cooperatives is operated well or not lies in how well it serves its grass-roots cooperatives. To do so, it should reform itself. In the course of reform, it should abandon the indiscriminate use of administrative means and at the same time bring its mass and democratic characters into full play. To further invigorate the collective economy, the federation of cooperatives should conduct its normal administrative, business, and economic activities and give full play to its positive role in the four modernizations program and in the light of their own actual conditions, all localities are encouraged to actively and willingly carry out the work of reforming and reorganizing cooperative federations.

Second, we should continue to carry out the improvement and rectification program well, better adhere to reform and opening up to the outside world, and continue to implement the effective policy regulations centering on the system of contracted responsibilities, which tally with the actual situation; continue to check up on fixed assets, divide property rights and decide their ownership, put an effective end to the practices of equalitarianism and indiscriminate requisition, and rationalize various relationships. In regard to the problem of unfairness in distribution, we should work out a policy in correspondence with the new situation, conscientiously solve the problem, rationally readjust the relationship of distribution between the state, the collectives, and the individuals, and create conditions for equal competition so as to promote the sustained, stable, and coordinated development of the collective economy.

Third, efforts should be made to increase effective commodity supplies and ensure the steady development of collective industries. First of all, we should readjust the product mix, strive to boost the output of products serving the needs of agriculture and daily necessities whose supply falls short of demand and develop products highly able to reabsorb currency and products for export, actively develop products needed on international and domestic markets, restrict the blind production of products which consume large amounts of materials of foreign exchange, and cease the production of products whose supply exceeds demand and which produce poor economic results and lack competitiveness. Second, we should ensure investment priorities. The funds of investment in fixed assets should be mainly used in improving product quality and grade and the technological transformation of the production of most-sought-after products, export products, and export substitutes, and check the blind development of products whose supply exceeds demand. Third, we should optimize the enterprise setup, gradually turn the industries and products which are full of promise for further development and facing stiff competition and the "fist" products which sell fairly well on overseas markets into the economy of scale, and promote the formation of enterprise groups in this sector of the economy.



Fourth, it is necessary to carry forward the fine tradition of collective enterprises running themselves in a democratic, industrial, and economical way and strengthen ideological and political work. First, we should adhere to the correct political orientation, help the vast number of employees really understand the party's basic line, the four cardinal principles, reform and opening up to the outside world, and their interrelations, strengthen education on patriotism, socialism, independence, self-reliance, plain living and hard struggle, and mutual cooperation; help them understand the nature, tasks, and development orientation of socialist enterprises; and also help them understand whom they are serving with their work and production. We should enhance the employees' sense of responsibility as masters of the country, willingly get rid of corruption, and effectively eradicate the hotbed for corruption. Second, we should carry forward the fine traditions and earnestly implement the principle of running enterprises in a democratic, industrious, and economical way. This is the fine tradition and heritage of collective industries, which we must not lose. Running enterprises democratically and running enterprises in an industrious and economical way are closely related, each complementing the other.

Fifth, it is imperative to work out laws and regulations with Chinese characteristics concerning industrial enterprises under the system of ownership by the collectives as quickly as possible. The 13th CPC National Congress explicitly defined: "It is necessary to strengthen the building of the socialist legal system," pointing out: "We should grasp construction and reform on the one hand and the legal system on the other. The building of the legal system should permeate the whole procedure of reform." It is imperative to "see to it that there are laws to go by. Laws must be observed, their enforcement must be strict, and law-breakers must be dealt with." Industries under the system of ownership by the collectives are a basic form of our country's economy based on public ownership and the collective economy in the second light industrial sector is the backbone of industries under the system of ownership by the collectives and they will play a larger and more important role in accelerating the modernization program in the initial stage of socialism. At present there is an urgent need to clearly establish their legal status and work out laws and regulations with Chinese characteristics concerning industrial enterprises under the system of ownership by the collectives as quickly as possible. Currently the state has promulgated the "Law on Industrial Enterprises Under the System of Ownership by the Whole People" and three sets of regulations. Privately owned enterprises have the laws and regulations of their own but collective industrial industries in cities and towns are still in the state of having no laws to go by. In 1986 we drafted a set of regulations and also heeded the opinions of departments concerned. However, disrupted by Comrade Zhao Ziyang, the endeavor had to be put off. Recently the Legislation Bureau under the State Council took the lead in working out regulations on collective industrial enterprises. This time we made some revisions and points to

add in the light of the new situation and are now seeking the opinions from all sides concerned. We are striving to promulgate them as soon as possible so as to consolidate and develop reform and give guidance to the production and operations of collective industries, protect the legitimate rights and interests of collective enterprises, and to prevent policy swings from adversely affecting the deepening of reform.

To implement the guidelines of the 4th Plenary Session in the light of actual conditions, it is imperative to sum up the past, ponder the future, effectively eradicate the influence of Comrade Zhao Ziyang's errors on collective industries, better consolidate and develop collective industries, and make greater efforts to expand the socialist collective industries with Chinese characteristics.

#### Li Peng Discusses Agriculture During Tour

OW2009152989 Beijing XINHUA in English  
1506 GMT 20 Sep 89

[Text] Beijing, September 20 (XINHUA)—Chinese Premier Li Peng reiterated recently that China will persist in taking agriculture as the foundation in the national economy and pay close attention to grain production.

During an inspection tour of northeast China and the Inner Mongolia from September 10-19, Li said the government will support and guide the development of rural enterprises.

The premier stressed that great efforts should be made to run well the large and medium-size industrial enterprises—the backbone of the national economy, and the contract responsibility system as an outcome of the reform should be further implemented.

Li Peng visited villages and factories and held discussions with local officials in the three northeastern provinces of Liaoning, Jilin and Heilongjiang and the Inner Mongolia Autonomous Region during the 10-day tour.

"Agriculture is always a major issue for China, a country with a population of 1.1 billion," Li said. "The central and local governments should, from now on, extend greater support to agriculture, and try to work out ways to carry out farmland capital construction with concentrated human and material resources while implementing the household contract responsibility system."

Li said the government should guide the development of rural enterprises while supporting them. "The rural enterprises should base themselves on their own resources and should not vie with large enterprises for raw materials," he said.

He promised that the state should create favorable conditions for the development of large and medium-size industrial enterprises.

He urged these enterprises to enhance their management, intensify technical upgrading, improve product quality and cut down the consumption of energy and raw materials.

"The contract responsibility system is an outcome of the reform and has boosted production. It should be further implemented, otherwise the old practice of egalitarianism would return. But the system itself is not perfect and it should be improved in practice," he said.

During the tour, the premier also visited two towns bordering the Soviet Union. He urged local authorities to improve infrastructural facilities so as to meet the needs of expanding border trade with the Soviet Union.

Opening to the Soviet Union and Eastern European countries is a part of China's policy of opening to the outside world, Li Peng said.

## East Region

### Turmoil at Shanghai's Fudan University Reviewed

OW1909071789 Shanghai JIEFANG RIBAO in Chinese  
7 Sep 89 pp 1, 3

[Article by Ji Si (4472 1835): "The 50 Days When Swirling Clouds Were Speeding Past—A Look at How the Ringleaders of the 'Self-Government Union of College Students' Created Turmoil at Fudan University"]

[Text] During the spring-summer period of 1989, an extremely small number of people took advantage of the student unrest to whip up political turmoil in a planned, organized, and premeditated manner, which eventually developed into a counterrevolutionary rebellion in Beijing. During that political storm, some ringleaders of the Shanghai "Self-Government Union of College Students" ["SGUCS"] actively established contacts from the top to bottom levels, coordinated actions at home and abroad, and created upheavals and turmoil in some colleges and universities in Shanghai. As a result, some well-placed institutions of higher education were thrown into confusion, and society at large was also affected; this eventually led to chaos in Shanghai. Here I will review the 50 days—from 6 April to 8 June—when swirling clouds filled the sky over Fudan University.

#### I. Premeditated Turmoil

Following the publication of the 26 April RENMIN RIBAO editorial "It Is Imperative To Take a Clear-Cut Stand in Opposing Turmoil," many people in society did not understand the correct conclusion of the editorial. Thinking that it was a patriotic democratic movement rather than turmoil, they tended to sympathize with the students. It is true that most of the young students acted out of their patriotic fervor during the initial period of the student unrest, but this patriotic fervor was soon used by people with ulterior motives to serve purposes that ran counter to the wishes of the students.

On the very night of Comrade Hu Yaobang's death on 15 April, a dozen or so slogans were put up at Fudan University. These slogans were still only expressing condolences. On the following day, many big- and small-character posters appeared in Beijing which contained erroneous political tendencies and reactionary content. Somehow these posters found their way onto the campus of Fudan University. On the evening of 16 April, more than 300 students gathered in classroom 3108 to hold a memorial service. But the true intention of some people, as described by Zhang Cai, a student of the College of Management, was "to mourn for Hu precisely to redress the student unrest of 1986." With the agitation of Zhang Cai and others, a storm began to build up. Some people put up big- and small-character posters, some held meetings to give lectures, while others turned to broadcasting; they printed and distributed pamphlets to spread many erroneous and even reactionary views, directing their spearheads at the party leadership and the socialist

system. Some big-character posters said: "The four cardinal principles are the shackles for slaves and the origins of national destruction" and "are sharp swords hanging over the people's heads." Some other big-character posters read: "The present one-party dictatorship of the Communist Party is even worse than the three big mountains of the past," "on top of you are the three big mountains: Oppression by the Communist Party, exploitation by the bureaucrats, and oppression by gold-dollars abroad," "we should make it our goal to abolish the one-party dictatorship of the Communist Party," and so on. On 18 April, another meeting was held in classroom 3108, and a so-called "Committee for Action To Mourn Comrade Hu Yaobang," consisting of 20 members, was formed, which openly listed in its "program of action" the "overthrow of the bureaucratic class," "reappraisal of Hu Yaobang," and "opposition to the 'Government Work Report'." Some big-character posters even put forward political demands on the party and government, saying that "the central authorities should guarantee not to criticize the idea of 'liberalization' again," that "the present leadership should be dissolved," that "Fang Lizhi should be rehabilitated and his reputation cleared," and so on. You can see how closely these slogans, tactics, and demands resembled those used in the student unrest and turmoil in Beijing.

Following the publication of the 26 April RENMIN RIBAO editorial, the plotters and organizers of the turmoil, on the one hand, hurriedly took action to oppose the editorial, while on the other hand, lacking self-confidence, they immediately made tactful readjustments to their slogans. The readjustments made in Beijing naturally passed through Shanghai and reached Fudan University. Slogans for the Fudan University demonstrations also underwent radical changes. Slogans such as "support the correct leadership of the Communist Party" and "support the four cardinal principles" emerged. Antigovernment slogans also changed to slogans such as "oppose corruption, oppose bureaucratic racketeers," and "oppose price increases." Were these their original intentions? No. A big-character poster revealed the truth by saying: "Do not give people an excuse. It is necessary to win popularity." After all, tactics remain tactics. However, tactics cannot cover up the essence. This situation only lasted a few days. The slogans returned to the original path of opposing the party and socialism.

During the turmoil, the Fudan University party committee and administration opposed the turmoil in a clear-cut manner under the leadership of the party Central Committee and the municipal party committee, and adopted resolute measures to crush the conspiracies of the handful of people who had ulterior motives. On more than one occasion, they foiled large-scale demonstrations planned by a few people. After RENMIN RIBAO published its editorial on 26 April, the atmosphere on the university campus became relaxed for a while. However, Comrade Zhao Ziyang, who was general secretary of the party Central Committee, on 4 May unexpectedly made



a speech which ran counter to the policy set by the party Central Committee, adding fuel to the flames of the turmoil. From then on, the university campus was full of rumors. Slogans calling for action to reaffirm student demonstrations and strikes as part of a patriotic movement began to emerge. On the evening of 15 May when a meeting was held in classroom 3108, seven young faculty members including Ye Maoqiang suddenly burst into the room and made speeches one after another, inciting the students to "persistently wage their struggle for democracy and in support of the students in Beijing." On 16 May, they once again put up an "appeal from faculty members" and solicited signatures from faculty members. The participation of young faculty members added fuel to the flames of the student unrest at Fudan University. Zhang Cai and others went to dormitories for single faculty members and post graduate students to incite them to stage a mass demonstration the following day. As a result, the turmoil reached another new climax on the eve of Gorbachev's visit to Shanghai on 18 May. Beginning on 18 May, some faculty members in a few departments used without authorization the name of "all faculty members" to put up big-character posters, such as the "announcement to boycott teaching" to incite faculty members to suspend their teaching. On the afternoon of 19 May, more than 500 faculty members held a rally at the university and took to the streets when the rally ended. Gu Gang, a post graduate student at the Institute of Journalism, put up a "statement to withdraw from party membership" on a university gate and encouraged other students to sign the statement. Li Guangdou, another post graduate student at the Institute of Journalism, put up a "statement to refuse to join the party." Some people responded and signed the statements. When the turmoil developed to that stage, even some party members started to vacillate. Just as Lin Ke, secretary of the Fudan University party committee, said, "This is like stabbing us in the back when the party and the people are in dire straits."

## II. "SGUCS" Does Whatever It Likes, A Reign of Terror Hits the Campus

The chieftains of "SGUCS" flaunted the banners "oppose corruption," "oppose bureaucratic racketeers," "promote democracy," and "seek freedom", and tried to give people the impression that what they were doing was patriotic action that showed concern for one's country and people. Actually, as Comrade Deng Xiaoping pointed out, "opposing corruption" and "opposing bureaucratic racketeers" were only excuses. By the same token, "promoting democracy" and "seeking freedom" were only fronts. They definitely were not "scholars who rose in rebellion." Their real aim was to overthrow the people's republic which exercises proletarian dictatorship. Normally when one talks about democracy, one should give others the chance to express their views; when one talks about freedom, one should not infringe upon the freedom of others. However, those of "SGUCS" who created the turmoil were impervious to reason and did whatever they wanted to do. They

created a reign of terror on the tranquil campus, thus disturbing social tranquility, disrupting the normal life of the people, and endangering the personal safety of individuals.

On 22 May, Zhang Cai led some 20 student "pickets" to enter the university radio station by force in an attempt to seize the radio station. They isolated the station manager, who was appointed by the school administration from among those cadres on duty. Zhang Cai said: "We have surely seized the radio station! I planned to seize this station at the beginning of the movement. However, not many people supported us at that time. The time is now ripe." He asked the station manager to hand over his keys, but his request was turned down. Zhang Cai even shouted: "You are fired from your post as radio station manager." "My orders cannot be changed," he added. However, the university leadership came to the rescue when it heard the news and successfully persuaded the students to leave the station, thus foiling the first attempt made by "SGUCS" to seize the radio station.

In nearly 2 months, members of "SGUCS" demonstrated, paraded, and went on hunger strike. However, they failed to achieve their goal. At the end of May, they once again changed their tactics in waging their struggle and launched a "movement to boycott all classes at the university." They wanted all the students to go home to carry out propaganda work extensively and participate in various demonstrations actively. At the same time, they also organized the students from other localities to form "home-going groups" to carry out propaganda work in their hometowns and take part in local demonstrations. Under their instigation, many of the students left the university.

In order to help develop the movement to boycott all classes at Fudan University, a handful of people used all types of despicable tricks. The overwhelming majority of Fudan University wanted to study and were unwilling to accept orders from the chieftains of "SGUCS" to work as tools of the union. Even when there was a great deal of noise coming from the base camp of the turmoil—classroom 3108—many students were still reading and studying in nearby classrooms without much interference. The chieftains of "SGUCS" naturally refused to resign themselves to defeat. They started to carry out fraudulent activities. First, they phoned faculty members, telling them lies that students had already boycotted classes and that there was no need for the faculty members to come to class. Then, they told the students that the faculty members had already decided to boycott classes and that there was no need for the students to attend their classes. Some union members used force to prevent students from attending class. They even vilified students attending classes, organized people to demonstrate near classes, set up picket lines, used megaphones to interfere with teaching, and made disturbances in classes where students were studying. They even punctured tires of bicycles left outside by students and made sure there was no way classes could be taught. As a result,

some classes could only be held in office buildings or in various laboratories. On 2 June, "SGUCS" went further and put up big-character posters at the school gate attacking students in class as "scabs." They even threatened them by saying, "Since you are so insensitive, you must not blame us for being unjust. Anyone who willingly acts as a scab deserves to be punished by all. We will organize a death-defying strike brigade. We will stop at nothing to resolutely clear away all moths from the campus." The vast majority of teachers and students were enraged by such despicable acts on the part of some people in "SGUCS." Many teachers and students said: Are they not calling for democracy and freedom? Then why do they flagrantly encroach upon our legitimate right to hold class!

"SGUCS" ringleaders were not content with beating, smashing, occupying, and insulting only on campus. They also saw to it that these riotous actions would spill over into society. As early as dawn on 24 May, Zhang Cai and others had already organized a number of students to block traffic at such places as Wujiaochang. On 4 June, with meticulous planning and organization by "SGUCS" and with the participation of the "Self-Government Union of Workers" and other dregs of society, "SGUCS" of Fudan University and some other schools started to block traffic throughout the municipality. Some people set up road barricades, while others stopped cars and deflated or punctured tires. Traffic in Shanghai Municipality was thus completely paralyzed for 5 consecutive days. Some workers on bicycles on their way to work also had their tires deflated. What was even more serious was the incident where some Fudan University students removed rails along a railway running to the north of the campus, affecting a section over 60 meters.

During those days, "SGUCS" ringleaders were in such a state that they lost their reason and nearly went insane. Zhang Cai clamored: "We will not hesitate to adopt such tactics as kidnapping and assassination to realize our goal." Another "SGUCS" ringleader took care to have a will written first and then went to the university motor pool to ask for gasoline with the intention to carry out arson. But his request was turned down by the workers there. They even went so far as to use loudspeakers to relay anti-China and anticommunist broadcasts of the VOA, the BBC, and Taiwan's "Voice of Free China."

### III. The University Party Committee Opposed Turmoil with A Clear-Cut Stand, "SGUCS" Refused to Come to Their Senses and Strayed Further Down the Road

Fudan University's party committee and leaders at all levels—together with the teachers, students, staff members, and workers—waged a resolute struggle against the ringleaders of "SGUCS." As early as late April, the school had already decided to adopt an eight-character principle of "stabilizing the situation and taking good care of fellow students." By late May, in view of the fact that the turmoil had further developed, the school

expanded the principle by adding another eight characters calling for "remaining steadfast at work posts and protecting the campus." Thus the school had a 16-character principle for its work. The university party committee emphatically pointed out that the first thing to do in taking good care of the students was to take good care of them politically to prevent them from straying farther and farther away on the wrong path. Throughout the entire course of the turmoil, party and administrative leaders of the university constantly sent cadres to painstakingly persuade the students to exercise restraint and remain cool. The vast majority of young students were in their right mind and receptive to the advice given them by the leaders and teachers. However, "SGUCS" ringleaders refused to reason. They went so far as to put up an "ultimatum" at the gate of the university under the name of "the students death-defying brigade." In the "ultimatum," they declared: "It is now an extraordinary time in which people across the country are waging a final decisive battle against the reactionary government... We hereby serve a stern warning to the school side: If the handful of accomplices and henchmen of the reactionary government, who are in the university party committee, choose to cling obstinately to their course, we of the students death-defying brigade will not hesitate to use all means to mete out stern punishment to the small number of chief culprits among them for their heinous crimes." When a cadre of the general party branch of the Institute of Life Sciences tried to dissuade the students from blocking the traffic, a postgraduate student yelled at her: "Shut up. Otherwise, I'll beat you up." He waved his fists and gestured as if to beat her up. It was only under the protection of students of the institute that she was able to leave the scene untouched. However, before she left, the postgraduate shouted at her: "Go and tell him (referring to a leading comrade of the school) that should he send people to dissuade us and disband our ranks again, his house will be flattened!" On the evening of 6 June, a gang of students belonging to "SGUCS" detained, beat, and illegally interrogated a cadre of the school public security section who was making a routine round of the campus. Upon hearing this, another cadre of the public security section rushed to the scene only to be beaten up by another group of students. He was knocked to the ground four times and sustained injuries all over his face, limbs, and body. "SGUCS" also set up a "picket team" and threatened to substitute it for the public security section. They wilfully questioned teachers and administrative personnel on campus, checked their identification cards, and searched them in violation of individual rights. On 6 June, several male "pickets" confronted a female teacher of the Foreign Languages Department in front of the dining hall and forcibly searched her pockets. With tears in her eyes, the teacher reported the incident to the public security section and requested that the school protect the personal safety of teachers.

"SGUCS" also repeatedly attacked key departments. At about 1900 on the evening of 4 June, it again assembled nearly 100 "student picketers" who, with bludgeons in

hand, broke into the radio station for the second time in an attempt to occupy it by force. A male postgraduate student insulted a female staff member of the radio station and threatened its director: "Should you dismantle our lines, we will dismantle your body!"

It became increasingly clear that the State Council had no other alternative but to announce the enforcement of martial law in Beijing on 20 May. However, it never occurred to us that those people who were making the loudest cry against martial law eagerly looked forward to martial law. A ringleader said at a rally: "We should stir up more trouble to paralyze and force military control of the whole municipality, thereby creating opportunities for bloody incidents and lessening the pressure in Beijing." "If the economy of Shanghai, the economic center of the nation, is paralyzed, military control will certainly be imposed in not only the municipality but also Nanjing, Wuhan, and Xian. When there are not enough soldiers to enforce military control, the government will collapse," said a postgraduate student. Those well-intentioned opponents of the enforcement of martial law in Beijing should now sober up: Who craved nothing short of nationwide chaos, and who deliberately stirred up trouble? Isn't the intention of the "SGUCS" ringleaders all too clear?

#### IV. Reexamination in the Wake of Turmoil

The turmoil has been quelled. However, the question mark left over by the course of turmoil merits serious reexamination.

During the 50-odd turbulent days, we frequently heard cadres and people, who were sympathetic with the student unrest, say that young people were simple and naive and their troublemaking was motivated by patriotic passion. As a matter of fact, those sympathizers did not know who were behind those young students. The problem was not a simple one, and it had complicated international and domestic backgrounds.

During the turmoil in Shanghai, the Fudan University campus, one of the centers of the political storm, was a scene of extreme chaos. On 21 May, 500 unidentified people, carrying a banner reading "Shanghai Workers Solidarity Group," broke onto the campus; on 22 May, some 400 students of the Shanghai Jiaotong University charged onto Fudan; on 23 May, some 600 students of Fengxian Technical Teachers Institute in the suburban area also arrived at Fudan; on 29 May, a young woman, who called herself "Zi'ao Wenli, the deputy director of the propaganda department of the Beijing 'SGUCS'," made a reactionary speech at Fudan; on 30 May, two female students from Hong Kong Chinese University visited Fudan from Beijing, saying that they wanted to give funds for the university's "SGUCS" to carry out activities, and promised to supply facsimile, copying, and other machines; and on 1 June, students from several colleges in Beijing went to Fudan to start trouble. The office occupied by Fudan University "SGUCS" was heavily guarded by three gate guards, who forbade

people not belonging to their organization to enter, but allowed free passage to a few foreigners. When some students were planning to stage street demonstrations on the afternoon of 2 June, VOA broadcasted in advance the students plan in the morning. On 11 June, ringleader Zhang Cai was detained by the public security organ while trying to flee Shanghai under the escort of the third secretary of a certain foreign consulate. In his recent confessions, Zhang Cai admitted: "During the student unrest, I communicated by telephone with people in Beijing, Hong Kong, and the United States and received many instructions from them." Zhang Cai told some students: "I am determined to oppose the government." "I have established residence in Hong Kong. After returning to Hong Kong, I will pursue a political career, which will require money. I now want my name to be known to more people." "I have nothing to fear because Hong Kong is under the British Commonwealth." He also confided to people: "Since 16 April, we have worked out meticulous preparations. We have two sets of forces—overt and covert. I maintain one-way communication with many people." Isn't it clear enough that the turmoil was premeditated and carried out in a planned and organized manner?

The root cause of the recent turmoil, which was started in colleges and universities, lies in the rampant ideological trend of bourgeois liberalization. As China implements the policy of reform and openness, institutes of higher learning have become the frontline in opening to the outside world. Especially in the ideological realm, they are one of the gates directly accessible to foreign trends of thought. In recent years, a craze for Western culture repeatedly swept institutes of higher learning. Western ideas, especially freedom and democracy of the U.S. bourgeoisie, exerted a strong influence upon colleges and universities, first of all, Fudan University. Most students majoring in liberal arts read basically Western books while having scarce knowledge about Marxism and China's basic conditions. Even teachers spent little time studying such knowledge. Consequently, a considerable number of students (including some young teachers) lost the ability to discern foreign culture. Some of them even fostered a value concept which is divorced from the reality in China and guided by the value system of the United States, thus knowingly or unknowingly becoming captives of the Western ideological trend of liberalization. This, together with our failure to thoroughly carry out the struggle against bourgeois liberalization, led to the recent turmoil. Therefore, in the course of reform and opening to the outside world, schools of higher learning must unswervingly educate their students in the four cardinal principles and resolutely resist the ideological trend of bourgeois liberalization.

The fact that so many students, including some we paid particular attention to during training, were involved in the turmoil explains that we have erred in the goal of training in schools of higher learning. We have to think about this: Do we want to train people who will succeed our cause or dig the grave for us? In recent years, we emphasized the challenge of a new technological revolution while neglecting the imperialist strategy of peaceful



evolution; we laid more emphasis on the necessity of reform than on its socialist direction, and more emphasis on individual capabilities than on political integrity. We were not alert enough about the struggle between the two classes for the next generation. Owing to the error in the goal of training, students lost touch with reality, very seldom coming into contact with ordinary workers and peasants, and were ideologically unprepared for an arduous struggle to change China's outlook within several decades. Pampered at home and by society, students were not taught about noble ideals, ethics, discipline, and social responsibility. Some students, after reading a few books on Western ideas, became complacent and filled with ideas of democracy and individualism, and placed themselves above the country and the party. Some individuals who had a strong urge to show off and exercise leadership thought that when they raised their arms and gave a cry, the whole society would respond to them and a radical change would occur in the existing state of affairs. In view of this lesson, we must reiterate the party's policy on education, adhering to the criterion of attaching equal importance to political integrity and professional ability in appointing personnel and persisting in putting the correct political direction above everything else.

In recent years, although institutes of higher learning have stressed ideological and political work year after year, they have failed to carry out such work. On the contrary, it has gradually slackened under the influence of the general climate. Serious abnormal phenomena have been seen in schools of higher learning: People boldly discussed Western ideological trends, but were diffident in discussing Marxism-Leninism-Mao Zedong Thought; and discussions on the merits of socialism were criticized as ossified and outdated, while those on demerits were greeted with approval. Such phenomena did not happen in a single day. They have been aggravated over the years. Drawing a lesson from this bitter experience, we should not neglect ideological and political work in colleges and universities any further. In order to resist foreign ideological infiltration and material temptation against an underdeveloped country, especially like ours, it is absolutely necessary to conduct effective ideological and political work and educate the younger generation in working hard to eliminate the motherland's backwardness.

### Central-South Region

#### Guangdong Allows County-Level Joint Ventures

HK2209020189 Hong Kong HONGKONG STANDARD  
(CHINA TODAY SUPPLEMENT) in English  
22 Sep 89 p 1

[By Tammy Tam in Enping]

[Text] Enping county in Guangdong has been given special powers to establish joint ventures with foreign firms and investors.

As the authorities in Beijing tighten their grip on every aspect of the economy, Enping appears to be an exception.

Provincial authorities have given the county powers to establish an Administration of Foreign Economic Import Affairs to handle foreign business.

The office has the authority to approve joint ventures of up to U.S.\$5 million (HK\$39 million).

By creating one office to handle all foreign economic affairs, the time needed to approve a project has been considerably shortened.

According to Mr Tan Bolian, director of the office, Enping is the only county in the province, and probably the whole country, enjoying such privileges.

Before the office was established, approval to set up a joint venture was needed from several higher authorities including the Provincial Planning Commission, the Commission of Foreign Economic Relations and the Foreign Exchange Managing Bureau.

It used to take at least six months to complete the paperwork, Mr Tan said. Now it is possible to finish the work in one month.

For material processing projects, only one day is needed to get all the necessary approvals.

Mr Tan said this was important for foreign investors who were unhappy at the time-consuming bureaucracy involved.

He said the Guangdong provincial government was considering extending the scheme to other counties.

Despite the Tiananmen Square massacre on June 4, 16 new joint ventures had been set up in the county worth U.S.\$150 million, Mr Tan said.

He attributed this to the special authority the county enjoyed. The administration not only improved efficiency but also prevented interference from higher authorities.

There have been reports that Guangdong—the major beneficiary of reforms introduced by disgraced party chief Mr Zhao Ziyang—is facing pressure from Beijing to give up some of the special powers it enjoys.

But Mr Li Xionggang, mayor of Jiangmen in Guangdong, said the privileges enjoyed by the province had helped the economy thrive.

#### Henan Governor Speaks on Provincial Industry

HK2109070489 Zhengzhou Henan Provincial Service  
in Mandarin 1030 GMT 20 Sep 89

[Excerpts] At a recent provincial meeting on analysing the situation in industrial production, Governor Cheng Weigao pointed out: In order to win initiative in industrial production of next year, we must have a correct understanding of the present situation, meet the needs of

economic improvement and rectification of our own accord, properly iron out some acute contradictions in the current industrial production, and strive to fulfill this year's targets. Thanks to our efforts to implement seriously the principle of carrying out economic improvement, rectification, deepening of reforms, readjusting the product mix, and following a special policy for key products, there was a certain increase in the province's industrial production in the first half of the year. Nevertheless, there has been a drop in both production efficiency and economic results since August.

Governor Cheng Weigao continued: At the moment there are numerous contradictions in industrial production, the situation differs in different areas and different enterprises are facing different kinds of problems. Viewing from the whole province, prominent problems are first, sales of products; second, the money shortage; third, chaos in the coal market management; and fourth, the electricity shortage. All local authorities should lose no time in grasping the four things well to ensure the fulfillment of this year's targets for industrial production.

Referring to the contracted responsibility system, Cheng Weigao stated that the practice of the past 4 years had proved that the system played a major role in arousing the initiative of enterprises, developing the productive forces, increasing output, improving economic results, and promoting the combination of the planned economy with a market mechanism. Nevertheless, some problems have also cropped up in the contracted responsibility system. There are two prominent ones. One is how to handle correctly the relationship of distribution between the state and the enterprise, and the other is how to deal correctly with the immediate and long-term interests of enterprises. [passage omitted]

Speaking on the system of factory director's responsibility, Cheng Weigao said: The system of overall responsibility by factory directors and managers was personally initiated by Comrade Deng Xiaoping after having summed up positive and negative experience in the enterprise leadership system of our country in the past several decades. It was also officially defined in the decision on economic restructuring made by the party Central Committee and clearly prescribed in the business law passed by the National People's Congress. Of late, the central authorities made sure to introduce the system in which presidents assume full responsibility in universities and colleges under the leadership of party committees, and also reiterated that the system of the factory director's responsibility should be upheld. [passage omitted]

#### **Hubei Discipline Inspection Officials Commended**

*HK2209024989 Wuhan Hubei Provincial Service  
in Mandarin 1000 GMT 21 Sep 89*

[Text] Fifty-nine discipline inspection officials, who are generally praised by people as good guardians loyal to the

party, were today commended by the provincial Discipline Inspection Commission at a meeting held in Wuchang.

Attending it were provincial party, government and military leaders Guan Guangfu, Guo Zhenqian, Zhao Fulin, Qian Yunlu, Ding Fengying, Zhang Xueqi, Tian Qiyu, Zhong Shuqiao, Chen Ming, (Feng Qichen), (Shi Chuan), Han Hongshu, Hu Hengshan, Wang Chongwen and (Gao Guobin).

In the name of the provincial party committee, its Deputy Secretary Zhao Fulin made a speech at the meeting. He pointed out: The provincial meeting of commending outstanding discipline inspection officials is a meeting of encouraging the advanced and also a meeting of mobilizing people to implement further the fourth plenary session spirit in the discipline inspection system. In the spirit of the call to accomplish several tasks in a down-to-earth manner issued by the party Central Committee, discipline inspection commissions at different levels should seriously investigate and handle cases to punish the corrupt.

Zhao Fulin emphasized: Party committees at all levels must attach great importance to the work of discipline inspection, give more leadership to it in real earnest, and give full play to the role of discipline inspection commissions in improving the party's work style and party discipline. He said: It is difficult to investigate and handle violations of discipline within the party, leading comrades of party committees must therefore take a personal interest in the work of investigating and handling serious and major cases, and must support discipline inspection commissions in removing obstacles in order to handle matters impartially and enforce discipline. Meanwhile, party committees at different levels must take a clear-cut stand in supporting and protecting officials who are harassed and retaliated against for adhering to principles in their work of carrying out discipline inspection; must concern themselves with the health, growth, and progress of discipline inspection officials; help them banish fear of attack from the rear; and encourage them to work harder. Comrades fighting on the front of discipline inspection must study harder, make efforts to remold their world outlook, raise the standard of professional ethics, carry on fine traditions, and boldly probe into new problems in practice so as to become outstanding party workers.

Ding Fengying, a member of the provincial party committee Standing Committee and secretary of the provincial Discipline Inspection Commission, also made a speech at the meeting.

#### **Southwest Region**

##### **Guizhou's Liu Zhengwei Stresses Party Building**

*HK2109012589 Guiyang Guizhou Provincial Service  
in Mandarin 2300 GMT 20 Sep 89*

[Excerpts] A provincial conference on party building concluded on 20 September after 3 days in session. The

meeting held that although the provincial party committee and the party committees at all levels have done a lot of work and achieved some success in recent years, there are also many problems that must be resolved. Strengthening party building is of particularly great practical significance for consolidating and developing the decisive victory in stopping the turmoil and quelling the rebellion. In the long term, this work is of even greater far-reaching historical significance for our party in shouldering still better the heavy tasks of leading reforms, opening up, and socialist modernization. In accordance with the demands of the central and provincial party committees, we must devote every effort to doing a thoroughly sound job in this work.

Ding Tingmo, deputy secretary of the provincial party committee, chaired the concluding session. Secretary Liu Zhengwei delivered a speech entitled "Devote Great Efforts To Strengthening Party Building." Wang Chaowen, Su Gang, Long Zhiyi, Zhang Yuhuan, Miao Chunting, Wu Kehui, Liu Hanzhen, Kang Huzhen, and He Renzhong attended the closing session.

Liu Zhengwei stressed that a current important issue is to carry out rectification of organization, ideology, and work style in the party in light of the problems exposed by the recent turmoil. We must do a good job in the democratic assessment of party members. Every party member must seriously check on his own words and deeds in line with the criteria for party members set by the party constitution. Democratic assessment must be focused on the questions of whether the party members adhere to the Four Cardinal Principles and oppose bourgeois liberalization, and whether they display the work style of arduous struggle and are just and impartial in their dealings. It is necessary to get a good grasp of ideological education for party members in close conjunction with reality. [passage omitted]

We must persevere in governing the party with strictness, severely punish corrupt elements, and do some things that will brace the people's spirits. The leading organs and cadres must take the lead in reviving and carrying forward the party's fine traditions and work style, bring closer the relations between cadres and masses, and reestablish the party's prestige among the masses. [passage omitted]

The party committees, especially at and above county level, must assign party building an important place on their agenda and ensure that they are bold and assured in grasping both economic work and party building. The party committee secretaries must regard party building as their primary duty and main task. The provincial party committee has decided to set up a leadership group for party building to be responsible for studying, solving, guiding, and coordinating important problems on the agenda of party building throughout the province.

Liu Zhengwei also stressed that political structural reform must benefit the effort to strengthen and improve party leadership. He called on the party organizations at

all levels to grasp the favorable opportunity to do a thoroughly good job in their work and fulfill their proper responsibilities in this respect.

### Sichuan Reports 'Serious' Industrial Situation

HK2009020589 Chengdu Sichuan Provincial Service  
in Mandarin 2300 GMT 19 Sep 89

[Text] Sichuan's industrial growth and economic returns have declined since July and August. Compared with the 1st half of the year, the situation has become more and more serious. Industrial output value growth in August was 2.9 percentage points below the national average. Negative growth has been registered in light industry for 2 successive months. At the same time, negative growth has also been registered since July in profit and tax returns on capital and on sales in the province's industry. Product sales are declining more and more.

In order to reverse the province's industrial slide in the next few months and strive to fulfill the production plans for the year, the provincial government has particularly emphasized that all localities must continue to seriously implement the plant manager responsibility system. The plant managers and directors must continue to play a good core role in production operations. It is necessary to continue to develop and improve the contracted management responsibility system. In particular, everything possible must be done to invigorate the large and medium-sized enterprises.

The contracts for the year must be seriously made good by the end of the year, and rewards and punishments awarded as appropriate. We must continue to practice the policy of encouraging sales. Before new regulations are issued, the methods previously adopted for helping to do a good job in operations should be continually practiced. It is necessary to get a good grasp of double increase and double economy work, with the focus on economic returns. Great efforts must be made to readjust the product mix, improve product quality, reduce input consumption, and reduce deficits and increase surpluses. At the same time, we must ensure the capital, energy, and raw materials requirements of large and medium-sized enterprises and for producing goods with a ready market.

It is necessary to do a good job in organizing energy production in the next few months. We must ensure stability while increasing output, and strive to produce more electricity, natural gas, and coal, to create conditions for industrial production.

### Sichuan Meeting Assesses Agricultural Situation

HK2009003789 Chengdu Sichuan Provincial Service  
in Mandarin 2300 GMT 19 Sep 89

[Text] Sichuan recently held a meeting to analyze the agricultural production situation. After viewing the various statistics and figures, the meeting held that the province is heading for the second best grain harvest in



its history. It is estimated that total grain output this year will be 82.63 billion jin, an increase of 5.068 billion jin over last year. Spring and autumn-harvested crops already basically in hand amount to 72.55 billion jin, representing 87.8 percent of the total. Some 8.3 billion jin of potatoes and 1.78 billion jin of late autumn grain are not yet in hand; these two figures add up to 10.8 billion jin, representing 12.1 percent of the total.

### **Tibet Chairman Discusses Region's Development**

*HK2209021389 Beijing RENMIN RIBAO in Chinese  
17 Sep 89 p 4*

[Article by Doje Cering, chairman of the Tibet Autonomous Regional People's Government: "Tibet Forges Ahead on the Socialist Road"]

[Text] This year is the 40th founding anniversary of the PRC and the 30th anniversary of the democratic reform carried out in Tibet.

In the 3d year after the founding of the PRC, the central people's government and the Tibet local government signed an "Agreement on How To Achieve Peaceful Liberation in Tibet" and Tibet was liberated by peaceful means. This was the first crucial step taken by Tibet to free itself forever from imperialist aggression and fetters and to move from darkness and misery toward light and happiness. In 1959, the reactionary cliques in the upper strata of Tibet tore up the agreement, betrayed the motherland, and staged an armed rebellion. To meet the strong demand of the Tibetan people and with the support of the patriotic personages in the upper strata, the central authorities decided to carry out a democratic reform while suppressing the rebellion. The democratic reform was the most profound revolution in the history of social development in Tibet. The revolution abolished the feudal serf system, liberated the people of various nationalities in Tibet, and enabled them to stand up and embark on the broad socialist road, and opened up broad prospects for the prosperity and progress of Tibet.

In the past 30 years since the democratic reform, earth-shaking changes have taken place in Tibet. Although it is still relatively poor and backward compared with other provinces and regions and has many problems and difficulties that have to be promptly solved or overcome, Tibet has attained great achievements in various fields in the past 30 years. Such achievements have attracted the attention of the world and are far greater than any attained by Tibet in the past.

The people of the Tibetan nationality have become their own masters and the regional autonomous system of minority nationalities is constantly improved. Following the democratic reform, grass-roots organs of state power were set up at all levels throughout the region. The broad masses of people who had been oppressed and enslaved became masters of the new society. In 1965, the Tibet Autonomous Region was officially established and the right of regional autonomy of minority nationalities as prescribed in the PRC Constitution was realized in

Tibet. Since the implementation of the "Law of Regional Autonomy of Minority Nationalities of the PRC," the system of regional autonomy of minority nationalities has been further improved. Some local laws and regulations have been formulated in our region and a series of special policies that are different from those of other provinces and regions have been implemented in our region. The study and use of ethnic languages are taken seriously. Ethnic habits and customs and religious beliefs are respected. A contingent of cadres and workers of minority nationalities with those from the Tibetan nationality as the majority has been formed. A large number of cadres of minority nationalities have taken up leading posts at various levels.

The economic construction is continuously developing and the people's living standard is gradually improving. The old system was abolished during the democratic reform, the relations in production were changed, and the social productive forces were liberated. Since the 3d Plenary Session of the 11th CPC Committee in particular, the policy of carrying out reform and opening to the outside world has promoted economic development. The gross agricultural output in 1988 was nearly 400 percent over that in 1959. Modern industry has grown out of nothing. More than 260 industrial enterprises including power supply, mining, construction, building materials, light industry, woolen textile, printing, and foodstuff enterprises, have been set up. With the powerful support of the state, Tibet has made great progress in developing its transportation, postal and telecommunications service, trade, foreign trade, and tourism. On the basis of economic development, the people's living standard is gradually improving. At present, the problem of food and clothing has basically been solved among most peasants and herdsmen of the region. The basic means of subsistence of households with difficulties are guaranteed thanks to relief work for the poor. In 1988, the per-capita income of the peasants and herdsmen reached 380 yuan.

Rapid development of the education, science, technology, culture, health, and other undertakings has enhanced ethnic and social progress. Before the liberation, there were only a few schools for children of the aristocrats. At present, there are more than 2,500 schools of different types and the number of students has exceeded 170,000. Cultural undertakings are developing. Good progress has also been made in the study of the Tibetan nationality and in saving and sifting the heritage of traditional culture. Broadcasting and television service has developed rapidly. At present, broadcasting and television networks at the county, prefectural, and regional levels have joined together to form a bigger one. Scientific, technological, journalist, publication, health, cultural, and other undertakings have also developed to varying degrees.

All achievements attained since the democratic reform carried out in Tibet 30 years ago are the outcome of the correct leadership of the CPC, such as the powerful support of all fraternal nationalities of the big family of

our motherland, and the efforts to courageously forge ahead by the people of various nationalities in Tibet. Practice has proved that without the CPC, the people of various nationalities in Tibet would not have been able to stand up; separating from the big family of the motherland, there would not have been any ethnic development or progress; and without adhering to the socialist road, Tibet would not have a bright future. Any activity that opposes the Four Cardinal Principles or undermines national unity and nationality solidarity goes against the historical current, impairs the fundamental interests of the Tibetan people, and is doomed to fail. Tibet must not become independent, not even semi-independent or independent in disguise. This is a reply given by history and is also the aspiration of the people.

The autonomous region is studying and working out a strategy, a tentative plan, and long-term targets for social and economic development to ensure steady, coordinated, and sustained social and economic development of Tibet. Under the correct leadership and profound concern of the party Central Committee and the State Council, the people of various nationalities in Tibet will continue to uphold "one center, two basic points," work hard in unity, and do arduous pioneering work to further change the face of Tibet.

### North Region

#### Li Ximing Visits Mountainous Area Teachers

SK2209013789 Beijing BEIJING RIBAO in Chinese  
9 Sep 89 p 1

[Text] On the eve of Teachers' Day, Li Ximing, secretary of the municipal party committee, and Li Zhijian, member of the municipal party Standing Committee, made a special trip to Shidu Township of Fangshan District in the remote area southwest of Beijing Municipality to pay a visit to the teachers who are industriously working in the remote mountainous areas.

During his visit in the township, Comrade Li Ximing attended the meeting sponsored by the schools in celebration of Teachers' Day and held a talk with the participating teachers, during which he delivered a speech and said: "Teachers who have worked in the remote mountainous areas all year around have made contributions to training personnel for the construction and development of mountainous areas." I, on behalf of the municipal party committee and the municipal people's government, would like to extend thanks to you."

In his speech, Li Ximing also emphatically pointed out that schools should pay attention to the work of moral education, regard the work as a duty of prime importance of teachers, and conduct the political and ideological education from childhood.

On the afternoon of 7 September, Li Ximing also went to the Xinjie Nationality Primary School of Fangshan District to visit its teachers.

#### Beijing Official Reports Price Stabilization

OW2109114789 Beijing XINHUA in English  
0840 GMT 21 Sep 89

[Text] Beijing, September 21 (XINHUA)—Prices were getting stable in Beijing in the first eight months of this year owing to the efforts made by the Beijing municipal government to slow down price hikes.

Wang Jun, director of the Planning Commission of the city government, said today that the rate of price hikes was 12.1 percent in August, much less than in August 1988.

Wang attributed the stabilizing of prices to strict control and supervision, and price subsidies of 600 million yuan from the city government, as well as measures taken by the central government.

Wang said that the ongoing campaign to screen companies and cut investment in capital construction projects have also contributed to price stability.

Statistics show that a total of 990 companies had been disbanded or merged or had readjusted the business scopes by the end of last month, and the investment in capital construction projects had decreased by 40.2 percent.

#### Hebei Secretary Meets Beijing Army Report Group

SK2109055389 Shijiazhuang HEBEI RIBAO  
in Chinese 7 Sep 89 p 1

[Excerpts] The second sub-team of the group to report model heroic deeds in quelling the counterrevolutionary rebellion, organized by the Beijing Military Region, gave reports to more than 1,000 officers and men from the provincial Military District and its subordinate units at the assembly hall of the provincial Military District on the morning of 6 September. This has evoked strong repercussions. [passage omitted]

On behalf of all commanders and fighters of the provincial Military District, Dong Xuelin, commander of the provincial Military District, praised model heroes for their immortal contributions to the people of the motherland and called for extensively launching the campaign of learning from the model heroes emerging from quelling the counterrevolutionary rebellion.

Xing Chongzhi, secretary of the provincial party committee, and Chen Yujie, member of the Standing Committee of the provincial party committee, called on the comrades of the sub-team.

## Northeast Region

### Heilongjiang Secretary Greets Shenzhen Delegation

SK2009015589 Harbin HEILONGJIANG RIBAO  
in Chinese 31 Aug 89 p 1

[Text] The 11-member delegation of the Shenzhen City People's Government, headed by Comrade Li Hao, secretary of the Shenzhen City party committee and mayor of the city, visited Heilongjiang Province on 27 August. The delegation received a warm welcome from comrades Sun Weiben, Shao Qihui, and Chen Yunlin, leaders of the provincial government; as well as the departments concerned. The two parties reached an agreement of intention on further strengthening economic and technological cooperations.

Leaders of the two parties unanimously held: Both Heilongjiang and Shenzhen are very capable of making up for each other's deficiency in their industrial and product structures. Therefore, they should give full play to their respective advantages, and strengthen the friendly exchanges and economic and technological cooperations with a view to commonly promoting economic development. For this purpose, the Shenzhen City Government will set up an agency in Heilongjiang Province to realize the agreement on commonly building the base of commodities to be exported to the Soviet Union.

### Jilin Secretary Attends Commendatory Rally

SK2009102889 Changchun Jilin Provincial Service  
in Mandarin 2200 GMT 19 Sep 89

[Text] The provincial party committee and government held a rally in Changchun on 19 September to commend the collectives and individuals of public security departments throughout the province who had made contributions to checking turmoil. At the rally, Gao Wen, deputy leader of the political and legal leading group of the provincial party committee and provincial vice governor, read a decision of the Jilin Provincial CPC Committee and the Jilin Provincial People's Government on commending the collectives and individuals of public security departments throughout the province who have made contributions to checking turmoil. The decision states: In the recent serious political struggle which involved the future and destiny of the party and state, the masses of public security cadres and policemen, officers and men of the Armed Police Force, and security cadres throughout the province who took a firm and clear-cut stand, followed command, stood fast at their posts, strictly abided by discipline, and fought day and night despite hardships and danger. They made important contributions to maintaining the political stability and social order of our province. The provincial party committee and government decided to commend the provincial Public Security Department and 80 other collectives, and (Yan Changfa) and 499 other comrades, who made outstanding contributions to scoring the remarkable achievements.

Leading persons of the provincial party committee, Advisory Commission, People's Congress, government, Committee of the Chinese People's Political Consultative Conference, Discipline Inspection Commission, Military District, court and procuratorate; leading persons of the Changchun City party committee and government, including He Zhukang, Wang Zhongyu, Zhang Fengqi, Huo Mingguang, Liu Yunzhao, Du Qinglin, Wu Yixia, Gao Yan, Gao Wen, Zhang Baohua, Li Xiangwu, Xie Anshan and Shang Zhenling; and the more than 1,000 public security cadres and policemen, and officers and men of the Armed Police Force, attending the rally shared the joy with the commended collectives and individuals. Leading persons of the province and Changchun City also presented awards to the public security cadres and policemen who had rendered meritorious service to checking turmoil.

Du Qinglin, leader of the political and legal leading group and deputy secretary of the provincial party committee, spoke at the rally. Du Qinglin pointed out: At present, a decisive victory has been won in the struggle to suppress Beijing's counterrevolutionary rebellion and check turmoil. However, the struggle has not been completed. Some wanted ringleaders and backbone elements of illegal organizations, rioters, and turmoil-creating elements with serious offenses have not been arrested, and some crucial incidents in our province that took place during the period to check turmoil have not been thoroughly investigated. Hostile forces and hostile elements will not resign themselves to defeat. They vary their tactics in a vain attempt to have a contest with us on a long-term basis, and wait for an opportunity to stage a comeback. Hostile forces outside the country and the province are stepping up their efforts to carry out infiltration and sabotage, and various criminal activities are still very rampant. Our situation is rigorous, and our task arduous and complicated. Therefore, we should remain clear-headed and highly vigilant, guard against arrogance and rashness, and make remitting efforts to advance on the crest of the victory. The provincial party committee and government urge public security cadres and policemen, and officers and men of Armed Police Force throughout the province, to study thoroughly the guidelines of the 4th Plenary Session of the 13th CPC Central Committee, further enhance their understanding, unify their thinking, ferret out thoroughly the counterrevolutionary elements engaged in the turmoil in line with the arrangements of the party Central Committee and the provincial party committee, continue to deal stern blows to various serious criminal and economic offenses, greatly strengthen the struggle against the hostile forces and hostile elements at home and abroad, and strive to win a complete victory in this struggle. They should exert unremitting efforts to keep the public security contingent and Armed Police Force throughout the province honest in their official duty, strictly run the police, strive to eliminate corruption, further establish a good image of the people's guards, and make new and even greater



contributions to defending the safety of the state, safeguarding the stable and united political situation, and creating good social order.

Ren Junjie, secretary general of the provincial party committee, presided over the rally.

#### **Jilin Reports on Collectively-Run Urban Companies**

SK2109051589 Changchun Jilin Provincial Service  
in Mandarin 1030 GMT 20 Sep 89

[Text] The urban collectively-run sector of the economy has developed rapidly in the province. At present, there are 78,000 urban collectively-run enterprises throughout the province, accounting for three fourths of the total number of the province's enterprises. In 1988, the total output value realized by the urban collectively-run enterprises amounted to 7.34 billion yuan, accounting for 25 percent of the total provincial industrial output value; the taxes paid by these enterprises amounted to 1.125 billion yuan, accounting for one fourth of the total provincial financial revenues; and the amount of foreign exchange earned by these enterprises through export surpassed \$100 million.

Over the past 10 years, the urban collectively-run enterprises have provided jobs for 109 million job-seekers, accounting for 55 percent of the province's total, and saving more than 10 billion yuan of investment for the state.

#### **Liaoning Secretary Attends Games Reception**

SK2009013189 Shenyang LIAONING RIBAO  
in Chinese 6 Sep 89 p 1

[Text] "On behalf of the 38 million people throughout Liaoning Province, we extend a warm welcome to you, the honored guests, who are visiting our province on the occasion of the Second National Teenagers Games." At the receptions held by the Organizing Committee of the Second National Teenagers Games at Shenyang's Youyi Guesthouse, Liaoning Building, Jincheng Guesthouse, Nongken Building, and the guest house of XINHUA's branch office in Liaoning, leaders of Liaoning Province and Shenyang City delivered ebullient speeches to greet the honored guests and delegation members who came from across the country to attend the games, as well as the newsmen coming here to cover the games.

Present at the reception held at Youyi Guesthouse were leading Comrades Quan Shuren, Dai Suli, Hu Yimin, Wang Guangzhong, Xu Shaofu, Zhang Guoguang, and Zhu Dunfa. Present at the reception held at Liaoning Building were leading comrades Li Changchun, Sun Qi, Wang Wenyuan, Cui Yukun, Wu Disheng, and Dong Wande. Present at the reception held at Jincheng Guesthouse were leading Comrades Chen Suzhi, Shen Xianhui, Wang Danbo, Ai Tingjun, and Shi Baoyuan. In addition, leading Comrades Wen Shizhen, Zhang Hongjun, and Zhou Minglu, as well as leading Comrades Gao

Zi and Xu Chen respectively attended the receptions held at Nongken Building and XINHUA's branch office in Liaoning.

These receptions were held amid a friendly and warm atmosphere. During the receptions, the hosts and guests proposed repeated toasts, and extended best wishes to each other.

#### **Liaoning Secretary Stresses Party Building**

SK1909034889 Shenyang Liaoning Provincial Service  
in Mandarin 1030 GMT 17 Sep 89

[Text] The provincial conference on party building ended on 16 September. The conference participants put forth the necessity to take the 4th Plenary Session of the 13th CPC Central Committee as guidance, and give full attention to grasping party building.

The conference opened in Shenyang on 13 September. Attending the conference were members of the Standing Committee of the provincial party committee, secretaries of the party committees of various cities, directors of the organization departments, responsible comrades of departments concerned of the provincial party committee, and some large enterprises. Leading comrades, including Quan Shuren, Li Changchun, Dai Suli, Wang Guangzhong, Xu Shaofu, Wang Julu, Shang Wen, Gao Zi, Yu Xiling, and Wang Chongju; and veteran comrades such as Song Li and Li Tao attended the entire conference.

At the conference, Shang Wen, member of the Standing Committee of the provincial party committee and director of the Organization Department, relayed the guidelines of the National Conference of Directors of the Organization Department. Plant directors and secretaries of the party committees of seven large enterprises, including the Shenyang Electric Cable plant, the Dalian Shipyard, the Liaoning Power Plant, the Shenyang (Zhongjie) Youyi Plant, the Dalian Heavy Machinery Plant, the Anshan Iron and Steel Company, and the Dalian Chemical Industrial Company, gave an account of their experience in persisting in the party's basic line, conducting ideological and political work among selected units in enterprises, and building perfect contingents of party members and workers.

During discussions, the participating comrades gave speeches on their views of how to strengthen party building, the building of the party's grass-roots organizations, and the building of a contingent of party members; and on fighting corruption.

During the conference, Quan Shuren, secretary of the provincial party committee, gave an important speech on strengthening party building. He stressed: It is necessary to draw experiences and lessons conscientiously, and pay full attention to grasping party building. He pointed out: While analyzing the party situation, we must not underestimate the influence that international hostile forces, which attempt to effect the peaceful evolution of socialist countries, have brought to the party;

the disruption brought to our party by bourgeois liberalization running wild; and the errors in the party, and the losses in practical work, caused by Comrade Zhao Ziyang's mistakes.

Quan Shuren said: During this political disturbance, we can very clearly see the serious consequences caused by the weakening of party building. In general, although the manifestations of party organizations at all levels and the broad masses of party members were good, and no big disturbance emerged in our province, there were some party organizations and party members who indeed failed to adopt a firm and clear-cut stand. Some people were deeply affected by the ideology of bourgeois liberalization. They supported and even participated in disturbances. Some even wrote and distributed antiparty statements, leaflets, and letters; and openly resisted the party Central Committee. Some took the lead in participating in illegal parades and in some support activities, and stopped at nothing to oppose the 26 April editorial and the policy decision of the central authorities on halting turmoil. Some viciously attacked the revolutionaries of the elder generation, represented by Comrade Deng Xiaoping and other central leading comrades. Some gave information and betrayed confidential matters to hostile forces at home and abroad. A small number of party members wanted to retreat from the party during the crucial juncture of the struggle. Some took advantage of retreating from the party to openly spread opinions to attack the party Central Committee. Hosts of facts showed that the issue of impure, inner-party ideology, organization, and workstyle is very serious.

Quan Shuren pointed out: While deeply exposing and criticizing Comrade Zhao Ziyang's mistakes, we should remind ourselves of our ideology and practical work, further summarize the positive and negative experiences and lessons in our party building, and adopt resolute and effective measures to solve the existing problems in the party. He issued the following demands on the party committee:

Efforts should be made to strengthen the concept of having the party handle party affairs, and pay full attention to grasping party building; it is necessary to carry out the party building work in close connection with the party's basic line, and consciously enable the party building work to serve the party's basic line; it is necessary to always be sober-minded, always uphold the four cardinal principles, and oppose bourgeois liberalization; in the ideological sphere, it is necessary to use socialist ideology to occupy the ideological bastion in an effort to resist disruption, which the strategy of peaceful evolution of the international bourgeoisie and the decadent bourgeois ideology have brought to the party; it is necessary to persist in the proletarian vanguard nature of the party, run the party strictly, and improve the quality of party members in terms of their political integrity, ideology, workstyle, and organizations; it is necessary to implement strictly the party's principle of democratic centralism, and struggle resolutely against all acts that

weaken the party leadership and harm the unity and unification of the party; it is necessary to bear firmly in mind the party's purpose of wholeheartedly serving the people, promote the party's fine traditions and workstyle, strengthen the flesh-and blood ties between the party and the masses, and enhance the party's cohesion, attraction and fighting capacity.

Quan Shuren pointed out: We should deeply conduct clean-up work in an effort to purify further party organizations. The existing major problems are: Some leading comrades have failed to understand fully the importance of conducting clean-up work and have failed to pay sufficient attention to it. They have failed to attend to it as a political task of first priority. He said: In the face of serious political struggle, we must not be apathetic, and must not treat it carelessly. We must resolutely attain the goal of thoroughly exterminating the evil and leaving no future trouble; resolutely prevent and overcome erroneous trends of hiding problems, and turning big problems into small problems and small problems into no problem at all; firmly grasp the key points—the party and government organs and important departments; and persist in combining internal clean-up work with the appraisal of leading bodies. After finishing the basic clean-up work, we should conscientiously conduct education on being a qualified Communist Party member in line with the principle of strictly running the party. In some units, we should conduct party member registration work again. In connection with the clean-up work, we should deeply appraise the performance of leading cadres at and above the section level. During this struggle, those leading bodies who have committed serious political mistakes and are weak and listless must be readjusted, replenished, and strengthened. The party organizations should cross out the names of those who could not stand the test and who declared to retreat from the party during this struggle. Those persons who committed serious mistakes should be expelled from the party. Through examination, we should discover some outstanding cadres who adopted a firm and clear-cut stand and behaved outstandingly during this struggle, and should recruit them into the leading bodies in line with our work requirements in an effort to make them assume more important tasks.

Quan Shuren stressed: We must give first priority to the building of grass-roots party organizations. All enterprises, all schools, all townships and villages, and all communities should attend to this work so that the party's grass-roots organizations will realistically become the core of government and strong fighting bastions, and the party leadership will be built on a solid basis.

In referring to strengthening party building among enterprises, Quan Shuren stressed: The proportion of industry is great in our province. Enterprise work has a decisive significance in the overall situation. It is an important aspect in our province's party work. We must further clarify the relationship between enterprise party organizations' status of being a political core and the implementation of the plant director responsibility system.

We must not weaken the role of the party when we touch on the plant director responsibility system, or waver in the implementation of this system when we talk about strengthening party work. The principal tasks of the enterprise party organizations should be placed on realistically attending to the self-cultivation of the party; improving ideology, organizations, and workstyle; fully displaying the party's political advantages and its guaranteed supervisory role; and guaranteeing the implementation of the lines, principles and policies of the party and the country in enterprises, and ensuring that enterprises will adhere to the socialist orientation. The party committees of enterprises should assume leadership over ideological and political work, and over the building of spiritual civilization. The rural areas should attend to the building of township and town party committees, and to the village party branches. Party organizations at all levels should pay attention to recruiting party members from workers on the forefront of production, peasants, intellectuals, and particularly from enterprise workers; and gradually change the situation in which no party members or very few party members can be seen on the forefront of production.

While touching on promoting the party's fine traditions and overcoming corruption, Quan Shuren said: Although our province has achieved initial results in fighting corruption, we still lag far behind the demands of strictly running the party and of the fourth plenary session. We must clearly understand the pressing need and the arduousness of the anticorruption struggle, foster an ideology of fighting a protracted war, overcome the feeling of fearing hardships, and resolutely punish corruption.

Quan Shuren also set forth demands and hopes on strengthening ideological education; improving the quality of party members; strengthening the study, publicity, and research of theories on party building; and improving the work level of party members.

#### **Liaoning People's Congress Meeting Opens 18 Sep**

*SK2009014789 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 18 Sep 89*

[Summary from poor reception] The 11th Standing Committee meeting of the 7th provincial People's Congress opened today. Zhang Tiejun, vice chairman of the provincial People's Congress Standing Committee, presided over the meeting. The participants adopted the agenda of this Standing Committee meeting. Tang Hongguang, vice chairman of the provincial People's Congress

Standing Committee, relayed the guidelines of the Ninth Standing Committee meeting of the Seventh National People's Congress [NPC]. The participants heard reports given by Vice Governor Chen Suzhi; Zhang Huanwen, president of the provincial Higher People's Court; and (Zhang Futing), deputy chief procurator of the provincial People's Procuratorate.

#### **Northwest Region**

##### **Xinjiang Ends Dependence on State Grain Subsidy**

*OW2109210689 Beijing XINHUA in English  
1527 GMT 21 Sep 89*

[Text] Urumqi, September 21 (XINHUA)—Northwest China's Xinjiang Uygur Autonomous Region is being turned into a commodity grain producer, ending its 15-year history of depending on state grain subsidy.

Last year, the region's average per capita grain output amounted to 428 kilograms, surpassing the national average of 362 kilograms.

Statistics from Xinjiang's Agricultural Department show that the summer grain output this year (wheat was the major crop) increased by 80,000 tons over last year.

The statistics also show that Xinjiang has in the past three years provided the state with 770,000 tons of surplus grain after having sufficiently fed its population of 14 million.

Xinjiang covers an area of 1.6 million square kilometers, but it has little arable land and dry weather conditions which limit farming. The region's yearly precipitation is one ninth of its annual evaporation.

The government of Xinjiang Autonomous Region has invested a great deal to build water conservancy projects and transform low-yield land. In recent years the irrigated area in the region has expanded from about 2.7 million hectares to about 3.4 million hectares. At the same time 138,667 hectares of wasteland was reclaimed and 78,000 hectares of low-yield land was improved.

The government has also made major investments in agricultural production materials. Last year the amount of chemical fertilizer used per hectare reached 495 kilograms, 7.3 times more than 1977. Plastic sheets were used on over 333,000 hectares of land, ranking first in China.

The import, use, and spread of new technology and improved strains of grain crops in the past ten years have brought an annual increase of 7.7 percent in production.



**Radio Talk Views Taiwan Role in Turmoil**

OW2009131189 Beijing in Mandarin to Taiwan  
0205 GMT 18 Sep 89

[By Wen Liang: from the "Rambling Talk on Current Affairs" program]

[Text] Dear listening friends: Gratifying and encouraging changes have taken place in the situation between the two sides of the Taiwan Strait thanks to joint efforts made by the people on both sides in recent years. The Long-standing military confrontation between the two sides has already eased and mutual isolation also began to thaw. Hundreds of thousands of Taiwan compatriots have come to the mainland to visit relatives and friends and go sightseeing. Economic ties and trade between the two sides of the Taiwan Strait have increased day by day. Contacts in the fields of culture, academics, science and technology, and sports have also been gradually developed and become more active day by day. The people on both sides of the Taiwan Strait keep improving mutual understanding and gradually eliminate feelings of estrangement amid various contacts and exchanges. A propitious atmosphere of peace and tranquility such as never seen before has appeared on both sides of the Taiwan Strait. We should dearly cherish this good situation, which has not come easily.

It should be pointed out that the development of relations between the two sides of the Taiwan Strait has gone through a tortuous process and frequently confronted problems. Let us take the turmoil and counterrevolutionary rebellion which happened in Beijing not long ago as an example. The Taiwan authorities conducted a series of extremely unfriendly activities detrimental to friendly relations between the two sides of the Taiwan Strait. When the student movement and turmoil occurred in Beijing in April and May this year, the Central Standing Committee and the Executive Yuan of the Kuomintang held several meetings to discuss the mainland student movement and propose so-called more aggressive and more initiative support for the movement, demanding freedom and democracy on the mainland. A certain important figure of Taiwan's National Security Council initiated a so-called campaign to deliver love to the Tiananmen Square and took the lead in donating a total of NT [New Taiwan] \$100,000. Furthermore, the Investment Department of Taiwan's Ministry of Economic Affairs was instructed to establish a foundation for giving support to the mainland prodemocracy movement. Various propaganda machines of the Taiwan authorities did their utmost to keep spreading rumors, slandering, and conducting sensational and provocative propaganda on the greatest scale possible.

Taiwan authorities were wild with joy and got dizzy with success, especially when the situation deteriorated to counterrevolutionary rebellion, threatening to combine all the forces at home and abroad to eradicate the regime of Communist China from Chinese soil. The Group for

Guiding Mainland Work, as well as the intelligence and security organizations in Taiwan, also stepped up their activities. Believing that the time for a political landing had come, they sent a large number of secret agents to the mainland for the purposes of sabotage and instigation, thereby directly having a hand in the turmoil and rebellion. They also drew up plans ordering secret agents hidden on the mainland to pay close attention to the turmoil, collect information, and report them to Taiwan's secret service in good time. Meanwhile, they instructed secret agents hidden in various areas on the mainland to plot secretly and stir up the student movement in line with local situation in an attempt to make the so-called mainland prodemocracy movement escalate to a full-scale anticommunist and antityranny movement all over the country. Some unidentified people from Taiwan also snuck into Beijing, taking with them large sums of money to provide financial aid to illegal organizations to manipulate them during the turmoil. This enabled them to bribe rioting ruffians to set fire to military vehicles, rob arms from soldiers, and kidnap and brutally kill the officers and men of the Chinese People's Armed Police Force and the People's Liberation Army [PLA] who were on duty to enforce martial law.

Dear listening friends: What is even more regrettable is the fact that some Taiwan organizations still continued to offer protection and support for elements stirring up the turmoil and for leaders of illegal organizations—who fled abroad after betraying their country—after the counterrevolutionary rebellion was quelled in Beijing. According to a report by Taiwan's LIEN HO PAO on 28 July, after Wuer Kaixi arrived in Chicago in the United States by airplane from Paris on 25 July, he met with Cheng Hsin-hsiung, director of the Department of Overseas Affairs of the Chinese Kuomintang. They also had a photo taken together as a memento of the occasion. The report said that (Wu Ying-yi), chairman of the association for promoting friendship between fellow Taiwan provincials in Chicago, arranged the meeting and provided quite a lot of funds for these traitors and rebels.

Dear listening friends: All these things that the Taiwan authorities have done greatly harmed friendliness between the people on both sides of the Taiwan Strait and damaged the propitious atmosphere of peace and tranquility between the mainland and Taiwan. They are unwise and do not enjoy popular support.

Just as a student of Taiwan University said: It was the mass media that created such a commotion out of this Tiananmen incident. I do not favor air-dropping by means of balloons, or any types of support activities, because this will only lead to serious confrontation between the Kuomintang and the CPC.

Dear listening friends: Why are the Taiwan authorities so enthusiastic in meddling in this turmoil that occurred on the mainland? This is because in the past 40 years since the founding of New China, the Taiwan authorities have not reconciled themselves to their defeat and have always dreamed about launching a counterattack against

the mainland. However, Taiwan's attempts of launching a military counterattack vaporized following changes in the international situation and as New China became more consolidated and powerful. Therefore, it gradually switched its tactics to the so-called making a political landing, and conducted, in a planned and organized manner, psychological warfare and other activities to encourage defections. Taiwan authorities look upon the turmoil in Beijing as a rare opportunity, hence their zealous engagement in activities designed to topple the CPC and throw the mainland into confusion so they can fish in troubled waters.

Dear listening friends: Will Taiwan gain anything if the mainland is thrown into confusion? Just the opposite, this will only bring disadvantages to Taiwan. People with insight in Taiwan have long been aware of this point. Mr (Tai Cheng-wen), professor of Taiwan University, said in his article: If Mainland China is thrown into confusion, the 1.1 billion people on the mainland as well as Taiwan will suffer. He maintained that a stable regime on the mainland is in the interest of the two sides of the Taiwan Strait. Even some Taiwanese mass media voiced the opinion that confusion on the mainland has more disadvantages than advantages for Taiwan. For instance, on 14 July, TAIWAN SHIBAO [TAIWAN TIMES] published an editorial entitled: "Do Not Crow Over the Disaster on the Mainland," which said that after weighing what Taiwan has to gain or lose from the turmoil on the mainland, it is their honest opinion that if the mainland is really thrown into confusion, Taiwan will not gain anything from it. On the contrary, it will only incur losses.

It is our opinion that only when the mainland is stable will there be a stable, progressive, and prosperous Taiwan. If this is not so, it is because we are superfluous and ignorant. It is also a common belief among some entrepreneurs and businessmen of Taiwan that by kicking up a fuss over the turmoil on the mainland and publishing untruthful news reports, Taiwan authorities caused the already relaxed atmosphere between the two sides to become tense again. This will not bring advantages to the two sides of the Taiwan Strait, but will only pose serious threat to many Taiwanese businesses on the mainland.

Dear listener friends: It is a fact that the people across the strait do not desire turmoil on the mainland. They realize that turmoil on the mainland will only harm rather than benefit Taiwan, and will result in losses to both sides. Therefore, we are more obligated to uphold the friendly relations and value the harmonious atmosphere across the strait.

Recently Jiang Zemin, general secretary of the CPC Central Committee, reaffirmed that China will not change its policy toward Taiwan formulated according to the principle of "one country, two systems." We sincerely hope that the Taiwan authorities will set store by national interests, stop saying and doing things that are unfavorable to the great cause of peaceful reunification,

and make common efforts to uphold and value the harmonious atmosphere across the strait.

### Spokesman Discusses Mainland-Taiwan Ties

HK2109012889 Beijing RENMIN RIBAO in Chinese  
16 Sep 89 p 2

[“A Spokesman of the Taiwan Affairs Office Under the State Council Talks About Several Concrete Problems in the Course of Exchange Between the Two Sides of the Strait”—XINHUA report]

[Text] Beijing, 15 Sep—Tang Shubei, deputy director and spokesman of the Taiwan Affairs Office under the State Council, told our reporter today that some problems had cropped up in the course of exchange between the two sides of the strait over the last few years. Because exchanges between both sides have developed, all sorts of concrete problems have cropped up and will continue to arise in exchanges, he remarked. Many problems cannot be resolved promptly because the two sides of the strait cannot conduct direct “three communications” as a result of the KMT’s [KMT] “three no’s” policy, he pointed out. As everyone is aware, we long ago proposed an early direct contact between the KMT and the CPC or that negotiations be carried out to discuss detailed problems concerning both sides’ relations, he added.

Subsequently Tang Shubei talked about some specific problems that have arisen in the course of exchange between the two sides of the strait:

1. On the question of whether there is a change in visa endorsement procedures for Taiwan compatriots. Chinese visa departments have always facilitated endorsement procedures for Taiwan compatriots who wish to come to the mainland for family visits, tourism, investments, exchanges, and other business purposes. Chinese consulates and visa departments in foreign countries will not change the methods to issue travel documents for Taiwan compatriots. Some Taiwan newspapers reported that the mainland had changed the visa endorsement procedures for Taiwan compatriots. This is groundless. If there is any “retrenchment” to speak of, it is from the Taiwan side. Although the Taiwan authorities have relaxed their control over mainland compatriots’ entry to Taiwan for family visits or attending funerals, they are still imposing unreasonable limitations. Since the end of 1987, about 800,000 Taiwan compatriots have come to the mainland for family visits or sight-seeing, but only 2,000 or so mainland compatriots have been allowed to enter Taiwan for family visits or attending funerals. This is a very good example.

2. On the question of Taiwan’s reactionary propaganda in communications and postal correspondence. In 1979 Chinese postal and telecommunications departments unilaterally opened parts of their postal and telecommunications services to Taiwan, Tang Shubei said. But the Taiwan authorities insisted on their “three no’s” policy and refused to provide postal services. In June this year

the Taiwan authorities suddenly opened indirect communications and postal services. In letters sent to the mainland, there were reactionary leaflets for "mental warfare" purposes, and postcards in support of the Beijing counterrevolutionary rebellion. Some envelopes were printed with political slogans, and stamps with reactionary drawings were also used. Some people used fax machines to transmit reactionary leaflets to the mainland.

He said: In our opinion, Taiwan's reactionary propaganda in the course of people-to-people postal correspondence will only undermine the harmonious atmosphere of communications between relatives on both sides of the strait and bring about tension in both sides' relations. This has aroused much uneasiness among Taiwan compatriots and their relatives on the mainland, and some of them have criticized this practice. The Taiwan side should immediately stop this unwise practice.

3. On the question of Taiwan compatriots carrying the renminbi into China. According to Chinese Government regulations, the Renminbi is not allowed to be taken in or out of the country, and violators are liable to confiscation, Tang Shubei said. Now some law breakers are engaged in renminbi speculation. They secretly carry the money out of the country and speculate in it. We have taken measures to prevent the Renminbi from being transferred out of the country.

We hope that Taiwan compatriots will observe state regulations and not exchange for the renminbi outside China or carry it into the country.

4. On the question of "mainland girls" being abducted to Taiwan. Some young girls have been abducted to Taiwan and forced to engage in prostitution, Tang Shubei said. They are now in a miserable situation. The Taiwan authorities should punish these abductors to stop the recurrence of similar cases. He expressed gratitude for some Taiwan compatriots who have offered their help

and shown their concern for these mainland girls who have been abducted to Taiwan.

5. On the question of preventing valuable wild animals from being smuggled to Taiwan. Tang Shubei reiterated that smuggling valuable wild animals out of the country is strictly forbidden. As stipulated by the "PRC Law on Protecting Wild Animals," anyone smuggling wild animals out of the country is liable to criminal punishment, he said.

6. On the question whether the mainland government permits sending labor service personnel to Taiwan. Both sides need cooperation to develop their economies, to improve the people's standard of living, and to build China into a prosperous, powerful, and modern country, he pointed out.

We hold the same stand on labor service cooperation between the two sides of the strait, but the problem is with the policy of the Taiwan authorities. We object to a few people going to Taiwan without government approval.

7. On the question of three mainland sailors working on Taiwan's "Tung Chun" fishing ship being escorted to Taiwan to stand trial. As Tang Shubei pointed out, eight mainland sailors were working on the "Tung Chun" fishing ship according to a labor service contract signed between Mauritius' May May Shipping Company and China's Fuzhou International Economic and Technological Cooperation Company. Some of them were suspected of murder and the Taiwan relevant department repatriated them to the mainland. China's judicial department will give them fair judgments on the merits of their criminal cases.

8. On the question of Taiwan's "flexible diplomacy" and dual recognition. Tang Shubei stressed that China is resolutely opposed to "two Chinas" or "one China, one Taiwan" policy; it is opposed to any official relations or official exchanges between Taiwan and countries that have established diplomatic relations with China.



### Li Teng-hui Meets Washington Governor

OW2109182689 Taipei CNA in English  
1050 GMT 21 Sep 89

[Text] Taipei, Sept. 21 (CNA)—President Li Teng-hui received Gov. Booth Gardner of Washington State Thursday for an exchange of views on the promotion of trade and economic ties between the Republic of China [ROC] and the American state.

President Li told Gardner that ROC's long-time efforts in promoting economic, social and political development have been paid off. The ROC Government will continue gearing up for industrial upgrading and financial service liberalization and will increase public investment in order to sustain its national growth, the president stressed.

Gardner said he admired Taiwan's phenomenal economic progress. He hoped trade and economic cooperation between Taiwan and his state will be strengthened in the future.

Gardner, leading a nine-member delegation from his state, arrived in Taipei Wednesday for a four-day visit. This is Gardner's first trip to Taiwan.

Also present at the presidential audience were Presidential Secretary-General Li Yuan-tsu and Vice Foreign Minister Chen Chien-jen.

### Finance Minister on Third World Loans

OW2209071089 Taipei CHINA POST in English  
17 Sep 89 p 8

[Text] The government has not ruled out the possibility of extending financial assistance to the Third World countries if the U.S. Government formally raises such a request, Finance Minister Shirley Kuo said yesterday in a press conference.

Kuo said that as the contents of the "Brady Plan," created by U.S. Treasury Secretary James Brady to help heavily indebted Third World nations out of their foreign debts, are not yet known to the ROC [Republic of China] the government has not decided whether to support the plan.

The minister said if the U.S. formally requests that the ROC contribute financial assistance to the plan, the government will consider the request. Actually, she said, the Central Bank of China and related agencies are deliberating on the issue.

Local banks currently have extended no bad loans to Third World countries.

### XINHUA Publication Attacks Foreign Policy

HK1809030189 Hong Kong SOUTH CHINA  
MORNING POST in English 18 Sep 89 p 10

[By David Chen]

[Text] China has again attacked Taiwan for its "flexible foreign policy" and declared that it would never accept the "dual recognition" which the Taipei Government has been quietly promoting.

In its latest overseas edition of OUTLOOK WEEKLY, A New China News Agency publication reputed for its authoritative discourse on Taiwan, China also indirectly criticised the United States for tacitly encouraging Taiwan in its present endeavour.

"By promoting its 'flexible foreign policy' based on its economic and commercial strength, the Taiwan authorities are in fact creating 'two Chinas' or 'one China, one Taiwan', which is in complete accord with the needs of the United States' policy towards China," OUTLOOK declared.

This, it added, would in effect produce a negative impact on the development of relationships across the Taiwan Strait.

The OUTLOOK article came as a senior Chinese official condemned Taiwan for allowing the posting of anti-communist propaganda material to the mainland.

The Taiwan authorities would be responsible for any consequence to normal exchange of mail between the two sides if they continue their "unwise practice", he warned.

This is the second week in succession that the magazine has launched an attack on Taiwan and analysts said the articles, coupled with severe restrictions imposed on visitors from the island as well as on its press reporting from the mainland, reflected a serious concern over the success Taiwan has scored in creating a favourable impression in the international arena.

It also indicates a hardening of Beijing's position towards Taiwan in the party centre's Leading Group on Taiwan Affairs, in which President Yang Shangkun plays the dominant role.

The position taken in the OUTLOOK magazine is well known. China is highly suspicious of Taiwan's intention to become totally independent and strike out both to take an active part in international affairs and to be fully accepted by all countries, even if these countries were to continue diplomatic relations with Beijing.

The magazine accuses Taiwan of promoting the "Grenada model" and the "ADB (Asian Development Bank) model" but maintains that the republic's attempts would not succeed because of the decidedly superior position mainland China maintains in the international community.

The magazine also gave a veiled endorsement to late President Chiang Ching-kuo's policy of "pragmatic foreign policy", which it contended was implemented in the principle of "one China."

"The crux of the flexible foreign policy is to counter the Chinese communists and attempt to turn Taiwan into an independent political entity in the international grouping so that it would create a situation of 'two Chinas'," the magazine declares.

Observers said the reference to the "ADB model" indicated a conflict of views among Taiwan affairs policy-makers in Beijing.

Those who endorsed the acceptance of Taiwan representatives at the ADB annual conference in Beijing in early May might have lost ground.

China is now expected to take a much harsher line in its contest with Taipei, while quietly wooing its businessmen to continue to invest in Beijing with tantalising preferential treatment, analysts said.

The continued vitriolic attacks on the Nationalist republic also reflect the success of Taiwan's new diplomatic offensive, and far from being discouraged by the condemnation, its authorities are expected to double their efforts in fighting for a place in the international community and pragmatic contacts with any country.

Analysts expect the war of words to escalate as hard-liners in Beijing continue to dominate the scene.

However, harsh reality would persuade Beijing to re-examine the position in a far more realistic manner and the moderate elements may once again be successful in advocating dialogue instead of confrontation in Beijing's policy on Taiwan, they said.

On Taiwan's side, officials are also adopting a hard-line approach towards Beijing.

Maintaining its policy of "Three Nos"—no negotiations, no compromise and no (official) contact—a government official rejected a proposal made last Friday by the mainland's spokesman for the Taiwan Affairs Office that the two sides get together to resolve the "illegal immigrants" who have been flooding the republic from China in search of jobs.

## KMT Official Attends Tokyo IDU Conference

### States Objectives

OW2109081789 Taipei CNA in English  
0255 GMT 21 Sep 89

[Text] Taipei, Sept. 21 (CNA)—James Soong, secretary-general of the Kuomintang Central Committee, leading a delegation, left for Japan Wednesday to attend the fourth biennial meeting of the International Democratic Union (IDU).

Prior to departure, Soong said that his attendance to the meeting will help world people have better understanding of the Republic of China's party politics and political democratization.

The visit will also help him make contact with leaders of international political parties and learn experience of other political parties, he added.

KMT's invitation to attend the IDU meeting, Soong said, shows that political democratization of the ROC has been recognized by the international community. ROC political reforms will also help promote cooperative relations between the KMT and international political parties, he added.

Soong said that the KMT is interested in joining the IDU but it will take a let-it-be attitude towards becoming a full member of the IDU.

Other politicians at the IDU meeting will include British Prime Minister Margaret Thatcher, Japanese Prime Minister Toshiki Kaifu, and American Vice President Dan Quayle.

### Meets Participants

OW2209002989 Taipei CNA in English 1557 GMT  
21 Sep 89

[Text] Tokyo, Sept. 21 (CNA)—Dr. James Soong, secretary general of the Republic of China's governing Kuomintang (KMT), attending the Executive Committee meeting of the Pacific Democrat Union (PDU) in Tokyo Thursday.

He exchanged greetings with all other participants and expressed his appreciation for PDU members' support for admitting the Kuomintang as an associate member last July.

Dr. Soong also told the meeting the Republic of China Government had recently set up a fund for overseas cooperation and development.

He hopes this will contribute to the economic development of the less-developed countries in the Pacific region and other areas.

Dr. Soong has been in Tokyo for the fourth party leaders' Conference of the International Democrat Union (IDU).

PDU is one of the three regional groups making up the IDU. Philippine Vice President Salvador Laurel also attended Thursday's PDU Executive Committee meeting. Later in the day, Soong paid a call on former lower house speaker Hirokichi Nadao, chairman of the Dietmen's Council for Japan-Republic of China relations.

He made the courtesy call in the company of Ma Chi-chuang, representative in Japan of the ROC's Association of East Asian Relations.

Several Japanese Dietmen were present at the meeting. They included former Education Minister Masayuki Fujio, former Transport Minister Shinji Sato, and lower house members Motoo Shiina and Hajime Funada.

**Government To Allow Soviet Journalists' Visit**

OW2209015389 Taipei CNA in English 1436 GMT  
21 Sep 89

[Text] Taipei, Sept. 21 (CNA)—The Republic of China [ROC] Government will allow Soviet journalists to visit Taiwan next month, reliable sources reported Thursday.

A group of senior Soviet newsmen are scheduled to begin a tour of Japan and the four Asian Little Tigers—South Korea, Hong Kong, Singapore, and the ROC—on Oct. 5. If their itinerary does not change, they will visit Taiwan Oct. 13-16.

Nongovernmental organizations, such as the ROC Journalism Society, will be asked to host the Soviet visitors during their stay here.

Local diplomatic sources said the ROC Government's consent to the forthcoming visit is politically significant. The move underlines the nation's new pragmatic (?foreign) policy, the sources pointed out.

Although it is still too early to evaluate the visit's possible impact, observers note that from a diplomatic perspective, the visit should be a plus, particularly in expanding the nation's international contacts.

**Justice Minister Denies Resignation Rumors**

OW2209050489 Taipei CNA in English 0233 GMT  
22 Sep 89

[Text] Taipei, Sept. 22 (CNA)—Justice Minister Hsiao Tien-tsan, under increasing pressure to resign for his alleged role in a golf club lobbying scandal, said Thursday he was not considering quitting.

Asked how he would react if summoned for questioning by prosecutors, Minister Hsiao replied, "Don't ask me hypothetical questions."

This was the only sentence he uttered to the press after chairing a ministry meeting. He has recently been trying very hard to avoid meeting reporters.

The scandal took a dramatic turn Wednesday when the local media reported that Tseng Chun-yi, golf course owner and a close friend of Hsiao's, admitted having personally asked Hsiao to lobby for him.

Tseng gave the testimony while being questioned by the deputy director general of the Bureau of Investigation, according to the reports.

Lin Meng-kui, a Control Yuan member determined to exercise her right to probe any controversial case, said her decision now depends on whether Hsiao will go or not.

Lin has postponed her investigation on grounds of "respecting the judicial procedures."

But after learning of Hsiao's firm decision not to quit, Lin declared she would not give up her planned investigation.



## Hong Kong

### Councillor Dunn Warns Against 'Irritating China'

HK2209020389 Hong Kong HONGKONG STANDARD  
in English 22 Sep 89 p 1

[By Ma Miu-wah]

[Text] Senior Executive Councillor Dame Lydia Dunn yesterday pleaded with Hong Kong people not to turn the territory into a "battlefield" for China politics.

"I think that over-politicising, here in Hong Kong, activities in China is one way of really gradually eroding the concept of one country, two systems," Dame Lydia said.

She said such actions would convince China that Hong Kong had become a "liability".

It was the first time Dame Lydia had issued a warning against irritating China. She did not specify what kind of activities she was referring to.

Her remarks came as China sternly criticised the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China, led by Legislative Councillor Mr Szeto Wah and Mr Martin Lee Chu-ming, as subversive.

Beijing accused the alliance of supporting dissidents who had vowed to topple the ruling regime.

Meanwhile, Senior Legislative Councillor Mr Allen Lee Peng-fei has spoken to Mr Martin Lee regarding his role in the alliance. Mr Martin Lee is vice-chairman of the organisation.

The move is seen as an attempt to ease hostility shown by Chinese officials towards the officers of the Executive and Legislative councils, which China says represents the interests of the British Government.

Mr Martin Lee confirmed the senior member had spoken to him about the alliance but said he was not asked to end his work with the organisation.

He said he would have been furious if the senior member had urged him to do so. And Allen Lee was unavailable for comment last night.

Observers said Mr Martin Lee had twice tried to fade out of the pro-democracy lobby but decided to carry on when China strongly attacked him.

An editorial in the PEOPLE'S DAILY in July accused him of leading a "counter-revolutionary" group.

Observers said the attack made it impossible for Mr Lee to quit the pro-democracy movement at that time. Instead, he chose to take an even higher profile. Mr Lee tried again to slip out of the pro-democracy spot-light by announcing his decision to rejoin the Basic Law Drafting Committee on September 9.

But his plans were jolted by China's chief representative in Hong Kong, Mr Xu Jiatun, who demanded he give reasons for his return.

Dame Lydia Dunn told an audience of the London School of Economics Centennial Forum yesterday that Hong Kong people should preserve the "economic success of our capitalist system" which was crucial if the territory wanted to continue to be an asset to China.

"We must ensure that China's leaders do not lose sight of Hong Kong's value to them," Dame Lydia told the gathering at the Victoria Hotel.

"This means restarting the dialogue with them so that they continue to receive frank and undiluted views from Hong Kong about what China can do to restore confidence," she said.

After the speech, Dame Lydia said: "We mustn't undertake any actions which may make them (Chinese leaders) believe that Hong Kong has become a liability."

"This is a delicate balance. It is a judgment on what sort of actions might lead them to believe that we've become a liability," she said.

Asked what actions would cause liability, the Senior Executive Councillor said: "Turning Hong Kong into a battlefield, moving the battlefield of the mainland (politics) to Hong Kong with participation of local people, I think, will not do Hong Kong good."

### Ji Pengfei Meets Hong Kong Women's Study Group

OW2109211289 Beijing XINHUA in English  
1548 GMT 21 Sep 89

[Text] Beijing, September 21 (XINHUA)—Ji Pengfei, director of the Hong Kong and Macao Affairs Office under the State Council, met a women's study group from Hong Kong here this evening.

The group is headed by Kong Ai Kyeu, vice-president of Women Committee of the Chinese General Chamber of Commerce, and Chu Lien Fan, member of the Board of Directors of the Chamber of Commerce.

### Visiting Hanoi Team Schedules More Interviews

HK2209014989 Hong Kong SOUTH CHINA  
MORNING POST in English 22 Sep 89 p 5

[By Fiona Macmahon]

[Text] A delegation of four Vietnamese officials here to interview boat people who have volunteered to go back is extending its visit to carry out more interviews.

Originally scheduled to stay a week, the delegation, led by Mr Dang Van Anh, had intended to interview only 134 volunteers.

But yesterday Mr Dang said he had accepted a request to interview more volunteers, although he could not say how long it would take.

The delegation has interviewed 93 boat people since starting work on Tuesday afternoon. Mr Dang said he did not know how many others would be processed.

There are more than 800 boat people waiting to go back to Vietnam.

The United Nations High Commissioner for Refugees has been trying to speed up the voluntary repatriation program because it can take up to four months for volunteers to get back to Vietnam, causing many to have second thoughts and withdraw while they wait.

Meanwhile, resettlement countries have confirmed their promises to accept more refugees from Hong Kong, with the main resettlement countries, America, Australia and Canada, promising to take a total of 5,500 in the next 12 months.

As part of the Comprehensive Plan of Action endorsed at an international conference this June, those countries promised to resettle the backlog of refugees in Hong Kong within three years.

About 7,000 refugees are expected to leave Hong Kong by June 1990, almost half the present refugee population. There are 13,250 refugees in Hong Kong.

## Macao

### Survey Predicts Massive Exodus From Colony

HK2209014389 Hong Kong HONGKONG STANDARD  
in English 22 Sep 89 p 6

[By Harald Bruning in Macao]

[Text] Macao is facing an exodus of its residents in face of uncertainty over the enclave's political future, according to a survey.

Most non-Chinese intend to move to Portugal, Macao's first confidence index survey showed.

But of the Chinese planning to leave, only five percent would choose Portugal, even if they hold Portuguese passports.

The poll was commissioned by the Portuguese news agency LUSA and conducted by Survey Research Hong Kong.

Respondents said they had more confidence in the Portuguese government than they had in the Chinese government to honour the Sino-Portuguese Joint Declaration.

About 500 people—300 Chinese, 100 Portuguese and 100 Macanese—took part in the survey.

By definition, Macanese are locally born Portuguese of mixed blood.

Fifty-five percent of the non-Chinese people said they had no confidence in the enclave's political future.

In a separate question, almost 60 percent of the non-Chinese people indicated plans to emigrate. Most had made their decision before the June 4 political crack-down in China.

Of those Portuguese planning to leave, more than 80 percent put down Portugal as their destination, followed by the United States (11 percent) and Canada (two percent).

The corresponding figures for Macanese were: Portugal 54 percent; Australia 13 percent; and Brazil 10 percent. There are strong Portuguese communities in both Australia and Brazil.

The Chinese respondents were found to have more confidence in the enclave's future than the non-Chinese participants.

But still, 46 percent were not confident about the political future.

Thirty-two percent of the Chinese residents said they planned to emigrate. Most were well educated young people from better-off households.

Half the Chinese planning to leave made the decision after the June 4 crackdown.

In contrast, most of the Portuguese and Macanese (more than 70 percent) had decided to emigrate before June 4.

Of the Chinese planning to leave, about half wanted to go to Canada or the U.S. Other popular destinations included Australia (14 percent) and Taiwan (10 percent).

Only five percent of those planning to emigrate wanted to go to Portugal, although many held Portuguese passports that would give them easy entry.

According to the survey, only about 70 percent of the people were really aware of the terms of the Sino-Portuguese Joint Declaration.

Most of the Portuguese and Macanese respondents believed Macao was given a better deal than Hong Kong as far as the return of sovereignty was concerned. But only 27 percent of the Chinese shared this view.

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